



OVERSEAS NEWS

GIRL'S DEATH BRINGS RETALIATION

Israeli soldiers blow up more Palestinian homes

BY ANDREW WHITLEY IN JERUSALEM

ISRAELI troops yesterday blew up another five homes in the small Arab village of Beita in the occupied West Bank where an Israeli girl died on Wednesday.

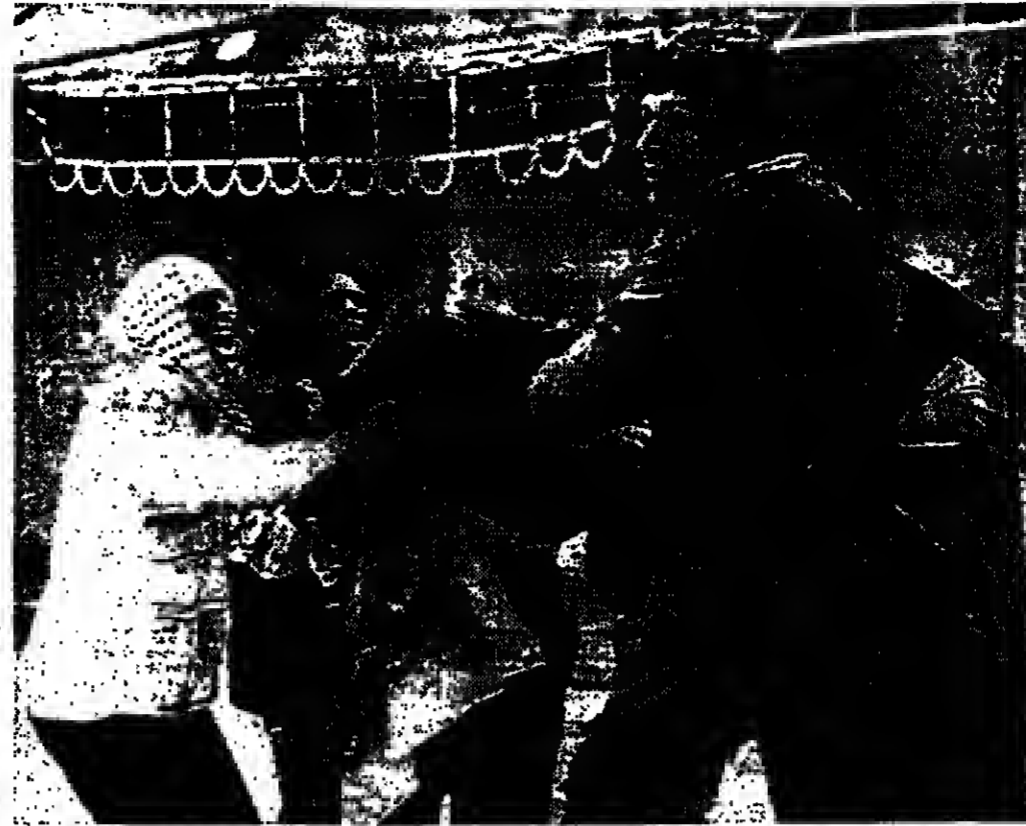
As the repercussions of the 15-year-old Thira Furman murder on an army spokesman yesterday cast further confusion on the murky circumstances of her death.

Earlier, a leaked army report presented to Major-General Amram Mitzna, the West Bank commander, had appeared to put the blame squarely on the settlers, who had been escorting the party of teenagers from the ultra-nationalist settlement of Elon Moreh on a walk.

Scattered demonstrations yesterday in the West Bank after Friday prayers - a traditional flashpoint - left at least two Palestinians injured with bullet wounds. But the day was one of the quietest for many weeks.

Palestinian sources say that in Beita the army demolished another five of the traditional stone-built Arab houses yesterday, to add to the five destroyed on Thursday. The village remains under curfew, preventing journalists visiting the scene.

In southern Lebanon, a landmine was detonated under an Israeli armoured personnel carrier patrolling the self-proclaimed "Security Zone". The vehicle's occupants then came under fire from unknown guerrillas, injuring four of the soldiers.



Palestinian girls try to stop Israeli troops arresting a friend during a women's demonstration after Friday prayers yesterday in Mamallah on the West Bank

Shultz signals joint peace effort with Syria on Lebanon

BY ANDREW GOWERS AND STEWART FLEMING

MR GEORGE Shultz, the US Secretary of State, yesterday added to his current flurry of activity in the Middle East by signalling a co-ordinated effort with Syria to end the factional strife in Lebanon.

On his way back to Washington from Amman, Mr Shultz made a surprise stop in Cyprus for an hour-long meeting with Lebanese President Amin Gemayel on possible constitutional changes before presidential elections scheduled for August.

arrangement that looks at the relative powers of the presidency as such, and a different grouping... and then the phrase goes 'de-confessionalising' some of the administrative apparatus," the Secretary said.

This was a reference to the long-standing arrangement between Lebanon's patchwork quilt of sectarian groups whereby the presidency goes to a Maronite Christian, the premiership to a Sunni Moslem and the parliament speaker's job to a Shia.

Shultz sees snail's pace progress on Mid-East peace

MR George Shultz, the US Secretary of State, left the Middle East yesterday saying that progress he had made towards reviving peace efforts should be measured in inches, not in feet, yards or miles.

But even Mr Shultz's own modest assessment of his achievements appears optimistic. He departed for Washington without eliciting the active support of key players in the region for his peace plan, which calls for an international Middle East peace conference, accelerated self-rule for Palestinians in the West Bank and Gaza Strip, and negotiations on the territories' "final status" within a specified time.

A bitterly divided Israeli coalition is unable to engage in a relevant peace effort. Arab moderates have no incentive to take the risks that would be necessary to participate in such an exercise.

on the other hand, Palestinian demands for recognition of their "legitimate rights". Regional responses - likened by observers in Amman to a "slow bicycle race" with neither side willing to be blamed for the failure of the Shultz initiative - have been more geared to domestic political concerns such as the forthcoming election in Israel than to a genuine attempt to seek areas of compromise.

There is much less prospect today than there was even six months ago that King Hussein would be able to clarify the vexed issue of Palestinian representation at an international conference. While the US continues to push the idea of a joint Jordanian-Palestinian delegation at such a gathering, a strengthened and relatively unified PLO emphasises its demands for independent representation and at the same time rejects outright the Shultz plan.

Mr Shultz has shown considerable patience in his recent Middle East talks. But apparent US reluctance to exert real pressure on Israel, at a time when world opinion is almost unanimous in its criticism of methods being used to quell the Palestinian uprising, has left the Arabs wondering under what circumstances Washington would be prepared to use its special relationship with the Jewish state to extract concessions.

US soft-soap helps strengthen Israeli right

Andrew Whitley on how Shultz made the occupied territories into an election issue to the advantage of Likud

MR SHIMON Peres, Israel's Foreign Minister, must be feeling pretty down in the dumps. Mr George Shultz, the US Secretary of State, whose peace initiative was supposed to rescue Israel from its dreadful quandary over the occupied territories, has come and gone for the third time with little to show for his efforts.

There may have been some mild, indirect criticism of Mr Shamir's intransigence, but the expected head-on confrontation never materialised. If Mr Shultz had a draft invitation to an international conference in his pocket, it was never put on the table.

Best of all, the prize long sought by the Likud leader - a Memorandum of Understanding enshrining all the various accords Israel has signed with the US in the political, military and economic fields over the past five years - is on the verge of becoming reality. No public announcement has yet been made, and it is still possible that the State Department will delay its conclusion so as to retain a lever over Mr Shamir.

Mr Shultz did not take the approach adopted by former President Richard Nixon in December 1973. Mr Nixon told the late Mrs Golda Meir that US aid would be at risk if Israel did not attend the planned international conference in Geneva. Israel only showed up.

Mr Shultz's way of demonstrating his even-handedness was to expound Israel's concerns to Jordanian television viewers and describe King Hussein of Jordan on Israeli screens as a "partner" and "a man of peace".



George Shultz: just annoyed everyone

Radicals set to do well in Iran election

BY ANDREW GOWERS

IRANIANS voted yesterday in their third preliminary election since the 1979 Islamic revolution, and were expected to produce a strong mandate for candidates favouring radical economic and social reforms.

Prime Minister boycotted the election, saying it was not free. But those allowed to stand were divided into two broad factions, one favouring increased central control of the economy and radical reforms on ownership of industry and land and the other - largely composed of conservative clerics and their allies - supporting the interests of the private sector.

The election, which involves 1,600 candidates standing for 230 Majlis (assembly) seats, took place amid further missile attacks by Iran and Iraq on each other's towns and coincided with the Kuwaiti hijack drama. As voters went to the polls, Tehran radio reported that Iraq rockets had hit Tehran, the holy city of Qom and the central city of Isfahan.

The indications are that the radicals are in the ascendancy, since Ayatollah Ruhollah Khomeini, Iran's spiritual leader, has recently been trying to give new momentum to flagging economic and social reforms. Only 20 per cent of those standing yesterday were drawn from the ranks of the clergy, a much smaller proportion than in the current Majlis.

George Graham finds morale low in the UDF candidate's camp

None but the faithful rally to Barre

IT IS RAINING hard in Clermont-Ferrand, but the party faithful have turned out in strength to listen to Mr Raymond Barre, their candidate in the French presidential election in two weeks.



For this is the Auvergne, a mountainous area of central France, home of the Michelin tyre and Cantal cheese. It is also political heartland for the UDF, the centre-right grouping which backs Mr Barre in the race for the presidency.

with the ex-president on the top floor of the Auvergne regional council headquarters was two minutes less than Mr Chirac's.

And Mr Giscard, who raises a big cheer every time his name is mentioned in the course of the meeting, stays down in the front row of the stalls, refusing to join the UDF's candidate on stage.

Campaign watchers are wondering if Mr Giscard will give the same even-handed treatment to the socialist candidate, President Francois Mitterrand, who defeated him in the 1981 election. Political golems claim that Mr Giscard has been summoned out as a possible centrist Prime Minister if Mr Mitterrand is re-elected.

Mr Barre's personal style is not particularly warm, and his professional references often fall flat on an ordinary audience, but the Auvergnats cheer him to the rafters.

the support of the party's moguls has at times been little more than lukewarm.

It shows in Clermont-Ferrand, where Mr Francois Leotard, leader of the Republican Party, one of the UDF's main components, goes out of his way to compliment Mr Barre's RPR rival in his warm-up speech. Political observers present feel that Mr Leotard, who at one point hoped to run for the presidency himself, does not exceed the bare minimum of enthusiasm for Mr Barre required by decency.

Mr Barre, at any rate, is still playing the game. He reserves all his attacks in Clermont-Ferrand for Mr Mitterrand's "rigid intransigence, veiled socialism and constant improvisation" and constrains himself from hitting out at Mr Chirac, whom he must beat in the first round if he is to be the right's champion in the second round.

the morale is on the way up again, but we needed that, because last week we were really discouraged. Still, I won't discourage you any odds," remarked one campaigner.

Spain and Norway in gas deal

BY MAX WILKINSON, RESOURCES EDITOR

SPAIN'S state-owned gas company, Empresa Nacional de Gas, yesterday signed a 30-year agreement for supply of natural gas from Norway's Troll field, one of the world's largest.

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Brazil's unions fight pay freeze

BY IVO DAWNAY IN RIO DE JANEIRO

BRAZIL'S two major public service unions were yesterday preparing a legal challenge to the two-month freeze on inflation-indexed wage rises, announced by the government late on Thursday.

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# Battle of nerves over Flight KU422

BY ANDREW GOWERS, MIDDLE EAST EDITOR

LARNACA airport last night looked like becoming the unlikely and reluctant host to a tense and possibly lethal battle of nerves with which the Cyprus Government would like as little to do as possible.

It is not the first time that Cyprus has been drawn into the fratricidal politics of a region to which it does not really belong. The Mediterranean island has in recent years been the scene of a number of terrorist outrages involving Palestinians and Israelis.

There have been shootings, bombings, and earlier this year there was the bomb attack - widely blamed on Israel's Mossad intelligence service - on the Palestine Liberation Organisation's self-proclaimed "ship of return" which was supposed to take a gathering of refugees back to Israel.

On this occasion, the stakes are a good deal higher. The immediate protagonists are a group of unidentified but certainly determined Arab militants demanding the release of 17 prisoners from a Kuwaiti jail, and the Kuwaiti Government, which has in the past refused to countenance any such concessions.

Not too far in the background, though, is the continuing campaign of the Gulf war, and Iran's increasingly troublesome campaign of harassment against the tiny and vulnerable Gulf emirates, which it hedges as Iraq's chief regional supporter in the conflict. Also thinly disguised in the

current crisis is the appalling civil strife across the water from Cyprus in Lebanon pitting Moslems against Christian, Sunni against Shia, and in the last week even Shia against Shia.

Lebanese Shias are widely believed to be among those involved in this hijacking. Their most radical political movement, a sprawling collection of groups gathered under the umbrella of Hizbollah (the party of God), is sponsored by Iran and allied with the Shia opposition al-Daawa group in Iraq.

Never has the Lebanese melting pot into which Iran has exported its revolution - and in which the twin crises of the Gulf and the Arab-Israeli conflict converge - seemed so potentially deadly. It is no small irony that Larnaca was also the scene yesterday for the latest and probably forlorn US effort to resolve the problems of Lebanon.

Whether Iran is directly implicated in this latest hijacking of Kuwaiti Air Flight KU422 is impossible to say, but it is certain that the Tehran authorities sympathise with the hijackers' demand for the release of the prisoners in Kuwait. It is also convenient, to say the least, for Iran that the agency is now being played out away from their territory, and that the hostages are now apparently almost all Kuwaiti, following the release of 57 passengers and crew of other nationalities earlier in the week.

This is the way that revolutionary Iran has always liked to exert



Freed British hostages Mark Appleby and his sister Nicola, of Bristol, arriving at Heathrow

its pressure on others: at arm's length and through proxies. To have to deal with the hijacking itself, at a time when it is struggling to maintain its lines to the West, was awkward indeed.

Iranian pressure on Kuwait has for several years been intense. Iran is widely believed to have been behind the militants who bombed the French and US embassies to Kuwait in 1983, and the attempt on the Emir's life

and from the second half of 1986, there have been more overt rattlings of the sabre against the emirate, with a series of raids on Kuwaiti oil tankers, more bombings, Silkworm missile attacks on Kuwait territory and oil installations, and only last week a curious incident when Kuwait alleged that Iranian gunboats fired at military installations on its Bahayan Island.

These probes, though always short of a frontal assault, have caused periodic fits of nerves in Kuwait. They encouraged it to seek the protection of the US flag

(and Navy) for half its tanker fleet last year and to move towards closer co-operation with Saudi Arabia and Egypt. But they did not cause official wavering either in Kuwait's support for its other powerful and potentially hostile neighbour, Iraq, or any deviation from the line on the 17 prisoners.

Although there were reports last night that a Kuwaiti negotiating team was about to arrive in Larnaca, it seems unlikely that this hijacking will yield much more of a dividend for Iran and its Arab proteges.

## Violent path to hijacking

THIS week's hijacking is the latest in a series of incidents following the jailing of 17 Al Daawa bombers. December 12, 1985: six bombs in Kuwait (two at US and French embassies) kill four and injure 50. Seventeen Shi'ite members of Al-Daawa are tried and jailed. December 4 1986: five Arab hijack Kuwaiti airliner, demand release of the Shi'ites held in Kuwait, order plane to Tehran; kill two US hostages. Five days later Iranian troops storm aircraft, capture hijackers, free hostages. March 1, 1987: Iraqi diplomat shot in Kuwait by group believed to act for Al-Daawa. May 25, 1987: Islamic Jihad claims responsibility for attempt to assassinate Emir of Kuwait when suicide car bomb is driven into Emir's motorcade. July 11, 1987: bombing attacks on cafes in Kuwait; Arab Revolutionary Brigades claims responsibility. November 23, 1987: Hijackers of Athens-Rome TWA flight with 145 passengers demand release of 700 Lebanese Shi'ites held by Israel, and Shi'ites held in Kuwait; they kill a US serviceman; Shi'ite leader Hashib Berri leads negotiations for 42 remaining hostages, who are moved to secret locations in Beirut; last 39 hostages released in Beirut after intense negotiations involving Syria's President Assad. November 23, 1987: Egyptian airliner hijacked, lands in Malta; as hijackers begin shooting passengers, Egyptian commandos storm aircraft, 60 killed. May 22, 1987: Bombing at Al-Ahmadi oil storage depot blamed on Shi'ites.

## No sure remedy for 'aviation's disease'

BY ANDREW MARSHALL

HIJACKING has been called "aviation's disease". Though tightening security measures can lessen the chance of successful seizure of aircraft, it is accepted in the industry that the risk can never be totally eliminated. Aircraft are vulnerable targets packed with potential hostages.

The incidence of hijacking has come down from its peak in the early 1970s, and has been reduced sharply since 1985, when a series of bloody outrages shocked travellers, governments and airlines alike. Tighter security, including body searches and baggage scanners have become commonplace at most airports.

There is no substitute for security precautions before the hijacker boards the aircraft. But these have been circumvented, either through using bribed ground staff or taking advantage of lax security at certain airports.

The hijacking of a TWA airliner in 1985, when arms were allegedly smuggled aboard at Athens airport, demonstrated graphically that a security network is only as strong as its weakest point.

New all-plectic weapons threaten to undermine further the security accorded by baggage scanners. But ironically, one of the two hijackings of note last year was committed by a young man without any weapon. Apart from non-existent bombs, amongst the implements success-

fully used have been razor blades, a can opener and at least one innocent whisky bottle.

Better security in the air has often been advanced as a way of coping with the threat; but the idea of carrying armed Sky Marshals in aircraft, once seriously mooted, has never really taken off, largely because of the potential risk for bloody exchanges of fire in cramped areas.

However, hidden "eye in the sky" cameras are installed in some aircraft to assist outside security and negotiating personnel.

The world's elite anti-terrorist forces have sharpened their skills at dealing with aircraft once on the ground, though the risks of this strategy became clear in November 1985 in Malta, when Egyptian commandos stormed an airliner on the ground, killing 50 passengers.

Passengers can even take out insurance cover against becoming the victim of a hijacking, offered by the International Airline Passengers Association through a plan drawn up by Control Risks, the private security consultant.

The International Air Transport Association monitors the incidence of air incidents and regularly conducts its own private security surveys of airports. But while it can exert moral pressure on airlines and airports to tighten security, it has no executive power.

## Afghan formula offers everything except peace

THE SOVIET army should start withdrawing from Afghanistan on May 15 after the announcement in Geneva yesterday by Mr Diego Cordovez, the UN mediator, of the completion of a four-point agreement.

That represents an important diplomatic accomplishment for the UN, a political success for the US and a victory for the Afghan Mujahideen resistance.

However, the agreement will not bring peace to the 15m Afghans, who have already suffered some 1m deaths in nine years of Soviet occupation. It implies no more than superpower disengagement from the internal conflict.

Further, it does not contain anything which keeps the way open for renewed outside involvement in Afghanistan and for increased, rather than decreased, tension in the region.

Mr Cordovez himself yesterday termed the agreement imperfect. A senior US official described the result as "messier than we had hoped" but underscored its virtue in "getting the Soviets out of Afghanistan".

The Russians want to go. Mr Mikhail Gorbachev signalled the change in Soviet policy as far back as February, 1986, when he told the 27th congress of the Soviet Communist Party that Afghanistan was a "bleeding wound".

For the US and Pakistan, which shelters some 8m Afghan refugees and Mujahideen guerrilla forces, the advantage of having an agreement in Geneva is that it sets a firm timetable for

The pact implies no more than superpower disengagement from the internal conflict, writes Will Dulforce

government-to-government assistance agreement, such as that existing between it and the Najibullah regime in Kabul, could not be publicly equated with US backing for guerrillas.

A solution was found to US Secretary of State Mr George Shultz's crudely dubbed "positive symmetry" proposal, apparently accepted by Mr Gorbachev after his meeting with Mr Najibullah in Tashkent on Wednesday.

It is the ambiguities of positive symmetry that flow the Geneva agreement. Under it both superpowers would retain the right to continue aid to their partners but also voluntarily to suspend it.

US officials say that on the signing of the agreement Washington will state separately that it will halt its aid to the Mujahideen but reserve the right to match Soviet deliveries to Kabul, should they continue.

This is explained as putting the ball to the Soviet court but US officials expect Moscow to play ball.

One US official said: "We have acquired sufficient understanding of each other's intentions (in Afghanistan), to sign the (Geneva) agreement and then adjust our actions according to how the other acts. We shall exercise restraint, if they exercise restraint."

The UN mediator has been given to understand that this means in practice that both sides will stop aid after signing the agreement. Clearly, though, the busy mutual US-Soviet arrangement over military aid is a shaky foundation on which to implement the agreement.

The arrangement could blast a hole through the agreement. The US would have to channel its matching supplies to the Mujahideen through Pakistan. But, under the terms of the agreement Pakistan will commit itself not to interfere in Afghanistan's internal affairs.

Senator Gordon Humphrey, chairman of the bi-partisan coalition on Afghanistan in the US Congress, has already said that the Soviet Union could be cleverly switching the onus of guilt over Afghanistan from itself to Pakistan.

Congress does not have to ratify the Geneva agreement but US President Ronald Reagan could still run into considerable hostility towards it.

Objectively seen, the success of the Geneva agreement depends on the Soviet Union and the US interpreting in like manner, and keeping faith with, their arrangement over future military aid.

Cynically seen, the superpowers are leaving it to their respective allies to decide by arms who shall govern Afghanistan. Each has done its best to give its partner a good starting point before the signing of the Geneva agreement.

US intelligence says there has been a substantial flow of Soviet military supplies to Kabul in recent weeks. Senator Humphrey, returning from Pakistan, this week, said the tonnage of US aid to the Mujahideen was at record levels.

The Soviet troops may soon be on their way out but peace is still a long way off for the Afghan people.



Afghanistan's Najibullah: agreement with Gorbachev

the Soviet pullout. This would not have been the case, had the Soviets been left to withdraw unilaterally.

The "messiness" of the agreement lies in its dependence on a separate understanding between the superpowers on military aid to their respective allies in Afghanistan. The US backs the Mujahideen and Moscow the communist regime in Kabul.

After Washington and Moscow had persuaded the Pakistani Government to drop its insistence on having a coalition government in place in Afghanistan before it signed, the question of continued US and Soviet military aid was the only big remaining obstacle to reaching agreement in Geneva.

Mr Edward Shevardnadze, the Soviet Foreign Minister, rejected a US suggestion that both superpowers impose a moratorium on aid during the nine months of Soviet withdrawal and for three months afterwards. This became known as the "negative symmetry" solution.

Moscow's argument was that a

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YEARLY PLAN

NATIONAL SAVINGS

UK NEWS

Lawson attacks Brussels plans to standardise VAT

BY RALPH ATKINS

MR NIGEL LAWSON, the Chancellor, last night launched a thinly disguised attack on European Commission proposals to standardise rates of Value Added Tax in European Community countries.

He described arguments that VAT harmonisation was necessary for plans to create an internal market in the EC by 1992 as "a bureaucratic non sequitur".

Mr Lawson said he accepted a single market implied the "ultimate abolition" of restrictions on cross-border shopping within the community and that this would inevitably affect EC countries' decisions about VAT and excise duties.

Companies agree to pricing regulation

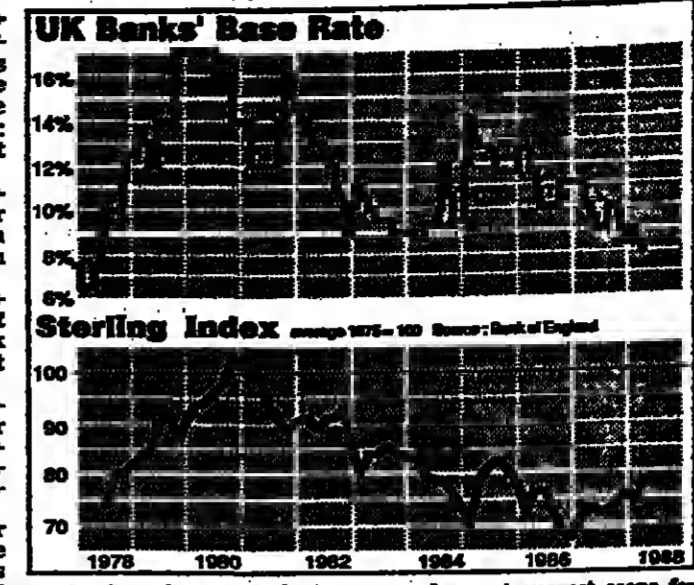
By David Charlton

GOVERNMENT competition authorities yesterday secured two important undertakings from leading British companies about pricing policies for their products.

Philip Stephens looks at the reasoning behind the cut in base rates

Lawson tries to buck the market

ONE OF THE phrases most frequently used by Mr Nigel Lawson, the Chancellor, to assert his authority during his exchange rate policy dispute with the Prime Minister last month was: "Actions are far more important than words."



stability begin to look like wishful thinking. The official line that sterling's rise will put downward pressure on inflation is undoubtedly true, although the pound has risen only slightly since the last reduction in borrowing costs.

New issues reach decade peak

BY PHILIP COGGAN

NEW-ISSUE activity in London last year was at its highest this decade, according to a survey produced by Peat Marwick McLintock, the accountancy firm.

Table with 3 columns: Year, Offer Placings, and Total. Shows an upward trend in new issues from 1980 to 1987.

by industry sector shows that the loosely-defined investment trust sector was responsible for 133 of the decade's new issues, almost a quarter of the total.

The commission recommended that future price increases should be limited by reference to a weighted index of production costs.

Service Committee, part of a new medium-term trend. Rather than let it climb regardless of how high it has risen, the Chancellor wants to smooth out the peak.

ever, does not suggest scope for progressive reductions in borrowing costs. The domestic pressures on inflation that prompted Mrs Thatcher to demand that sterling be allowed to rise above DM3.00 have not gone away.

One of the more candid officials close to yesterday's decision admitted that cutting base rates in those circumstances was "hardly ideal".

Back to the market may not prove as easy as Mr Lawson hopes. The pound apparently remains an attractive proposition for speculative capital flows, with British short-term interest rates still about five percentage points higher than those in West Germany.

Tube safety measures 'rejected'

BY FEONA McEWAN

SAFETY measures to prevent escalator fires like the one which claimed 31 lives at London's King's Cross underground station, were rejected because of "cost, inertia and incompetence," the disaster inquiry was told yesterday.

The response that this would not be practical "due to the cost of redesigning and refitting." The lifts and escalators engineering department had also responded in a document that the wood used "is chosen for its fire-resistant properties."

Mr Henderson told the inquiry that the wooden escalator which caught fire at King's Cross, probably due to a dropped match setting grease and dust alight, was cleaned more frequently than most on the Underground.

Privatisation adviser named

BY DAVID BARCHARD

MIDLANDS Electricity Board yesterday appointed Price Waterhouse as adviser to its planned privatisation, making it the first of the 12 area boards to name its adviser.

New car sales break record

BY JOHN GRIFFITHS

UK NEW car sales surged to yet another record in this year's first quarter, in spite of a severe shortage of Ford cars as the UK market leader sought to recover from its two-week strike and other stoppages.

Table titled 'UK CAR REGISTRATIONS' showing monthly and yearly figures for 1987 and 1988 for various car models.

to contribute to the monthly leasing charge. Ford said last night that estimates this may mean sales of an extra 200,000 units a year were "probably not far off the mark."

Labour sets out poll tax alternative

By Michael Cassel, Political Correspondent

A LABOUR Government would replace the proposed community charge, or poll tax, with a community property tax and local income tax, Mr Roy Hattersley, the party's deputy leader, said yesterday.

Advertisement for Cunard cruise ships. 'A WEEK IN AMERICA FOR \$99'. Cruise transatlantic on the QE2 one way from £370 (May/June) and get a free British Airways flight after.

Satellite joint venture with Canadians still possible. BRITISH participation in a satellite joint venture with the Canadian Government may still go ahead in spite of reports that the Canadians believe the British are delaying a final decision on the project.

County Hall's fate to be settled by June. THE FUTURE of County Hall, the former headquarters of the Greater London Council, will be decided by the end of May.

Labour's plans on the issue appeared confused during the last general election campaign, and work on new proposals has been under way ever since.

TUNDRA GOLD MINES LIMITED. Send for our new (February, 1988) informative 45 page brochure on Tundra Gold Mines Limited and Associated Companies.

Woolwich's merger with Gateway gains approval. MEMBERS of the Woolwich and Gateway building societies yesterday approved a merger of the two societies with effect from May 31.

Halifax takes Cazenove as its adviser. THE Halifax Building Society said yesterday that it had appointed Cazenove, the City stockbroking firm, as its adviser.

GRANVILLE SPONSORED SECURITIES. High Low Company Price Change % Div Yield % PE. Table listing various securities and their performance.



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The risks of complacency

SIX MONTHS after the Great Crash, the mood in the world's financial markets is not far removed from complacency. An event which at the time seemed like a fearsome warning of economic hazards to come is now widely regarded as little more than the healthy correction of speculative splurge. Thanks to the extraordinary resilience of the Japanese stock market and the weakness of the dollar, the FT-Actuaries World Index is almost back to last autumn's high point. It is almost as if Black Monday had never occurred.

Low-key affair

Next week's meeting of finance ministers and central bankers from the Group of Seven industrial nations is accordingly being billed as a low-key affair, with no call for bold new initiatives. The latest forecasts from the International Monetary Fund carry very few scars from the crash, with output growth in the major countries set to continue at a moderate pace both this year and next, and the US economy looking surprisingly robust.

The foreign exchange markets remain volatile and nervous, and yesterday's base rate cut in the UK was the latest signal of the serious policy embarrasments of the British authorities, who are trying to restrain speculative inflows at a time when the domestic economy is showing signs of expanding at an unhealthy rate. There is a case for keeping calm. There is very little chance of a rise in sterling against the D-Mark being sustained over any length of time: meanwhile, politicians do not usually feel the need to make excuses for a strong currency and falling interest rates.

Beneath this placid surface, however, there are still some treacherous currents. So many pundits made fools of themselves last year by predicting a stock market crash in Tokyo that the fashion now is to find ways of joining the previous year's predictions being placed on Japanese share prices. They have come to represent far and away the biggest slice of the international capital market: Japan today accounts for about 44 per cent of the World Share Index, roughly double the proportion three years ago, while the US has slipped down to about 31 per cent.

This performance, and the recent strength of the Japanese economy as a whole, has been built in good measure on a rise in domestic demand which has been running at 5 to 6 per cent since last spring. But it is questionable how long this trend will continue. The Japanese Government appears to be placing renewed emphasis on the need for re-

setting fiscal discipline in the economy, and wage increases will be restrained by the need to protect profit margins against pressure from the strong yen.

Without the buoyancy of Japan, there would be less room for complacency about both the international economy and the world's stock markets. Share prices in other markets are telling a much more cautious tale: the World Index excluding Japan is about a fifth below last year's peak. In the UK, the All-Share Index stands below its level 22 months ago, and although there is nothing magic about year-on-year comparisons, the fact is that such declines have been very rare in the past decade and have not occurred at all since the start of the great bull run to 1981. At the very least, this reflects uncertainty about some of the more optimistic profits forecasts - doubts which are reinforced by the strength of the currency and the rate at which pay settlements have been running in the UK.

Meanwhile, interest rates are being driven down at a time of rapid expansion in domestic credit. One of the most striking news items in the past few days came from Barclays Bank, which revealed that its UK lending was rising at an annual rate of more than 30 per cent, and that it proposed to fuel this increase with the help of the biggest rights issue ever made by a British clearing bank. For anyone with a memory, that is the kind of announcement which produces a prickly feeling around the back of the neck.

Fanciful story

On a broader horizon, the forecasts produced by the IMF for the finance ministers' meeting next week make it clear that although imbalances in international trade flows are declining, they are still a long way from reaching levels which might be regarded as sustainable over the long term. On this reading, the yen is set to rise yet further in the coming months, a story which briefly set Wall Street alight this week looks highly fanciful. This was that the finance ministers would agree to put some kind of a floor under the dollar, an exercise which could make the effort being made to hold down sterling look like a light spring breeze.

No doubt the pessimists went too far with their forecasts of doom last October, and the current economic outlook is noticeably brighter than seemed likely at that time. Moreover, finance ministers are paid to look calm. But they must be aware that there are problems out there of a type which, if left to fester, could still be resolved by the financial markets - in a most unpleasant manner.

Michael Prowse assesses the wider issues raised by the British Government's changes to the social security system

Simple reforms for a complex world

A JUST SOCIETY, the late Lord Stockton once remarked, should contain both a safety net and a ladder. Britain, despite its affluence and two centuries of economic growth since the Industrial Revolution, is apparently still incapable of providing a serviceable form of either.

This week, the Social Security Advisory Committee (a body set up by the Government in 1980 and including lawyers, doctors, academics and business people) joined the poverty lobby in attacking aspects of the welfare reforms being implemented on Monday. The safety net, in its judgment, has gaping holes. It says that some young people - particularly those unable to live at home - will be exposed to "a risk of destitution". The committee also points out that 43 per cent of all welfare recipients (including nearly 50 per cent of pensioners) will receive lower benefits as a result of the changes.

The ladder is in no better shape. A central tenet of Thatcherism is that people should be able to better themselves by hard work. Top tax rates for the affluent have been cut to 40 per cent on just these grounds. Yet the rapid withdrawal of benefits, whenever the incomes of the poor creep higher, is set to expose around half a million families to effective marginal tax rates of between 70 and 90 per cent. Some of the poor will keep just a few pence of each extra pound they earn.

The worries about inadequate benefits and formidable work disincentives are compounded by deep unease about structural innovations. The new Social Fund will replace grants for household items, like beds and cookers, with loans. The idea is to teach the poor "how to manage a budget". The likely consequence, however, is rising indebtedness among those already below the poverty line. Since the new income support (£26.05 a week for a single person under 25) is barely sufficient to cover current living costs, it cannot provide the resources to repay loans for the replacement of household capital goods.

The new scheme's critics argue that real incomes and living standards have risen rapidly in the past six or seven years. The nation could thus certainly afford more generous benefits for the disadvantaged, they say, and it could also have found a more efficient means of relieving poverty. Unrepayable loans, disincentives of the sort Mr Healey once imposed on the rich, rules that treat 24-year-olds like dependent teenagers, longer and even more complex housing benefit forms: to the Government's critics, the whole exercise sounds like a joke in very bad taste.

The shape of the new system is partly a reflection of constraints the Government imposed on itself - for political and ideological reasons. Civil servants of the Department of Health and Social Services were instructed in the mid-1980s to devise a reform package that would not cost any extra money.

The only way to help the poorest of the poor within this constraint was to take resources from the slightly less poor. Studies showed that pensioners on average had done better over the years than, for example, families with children. The Government was also concerned that some young unem-

ployed people were cynically exploiting the benefits system.

The housing benefits being withdrawn from many pensioners and the reduced levels of support for the under-25s are thus helping to finance slightly more generous benefits for families on very low wages. The new Family Credit is undoubtedly more generous than family income supplement, the relief it supersedes. Nobody disputes that these families need additional help; the controversial question is who should finance it?

Behind the protests which the changes have provoked lies a belief that it was heartless and illogical of the Government to insist that social security changes should be self-financing. On this view, the Government should have looked at the tax and benefit system as a whole when searching for economies. It would not even have been necessary to forego cuts in tax rates: pensioners could merely have closed some of the less defensible tax loopholes.

That would have avoided the spectacle of a Government cutting poor pensioners' housing benefit while continuing to grant generous mortgage subsidies to stockbrokers on £70,000 a year. The limited nature of the Budget's tax reforms was caused by the Government's refusal to contemplate

The shape of the new system is partly a reflection of constraints the Government imposed on itself

changes that would create "loans", no matter how well off the losers might be at the start of the process. On the calculations of the Social Security Advisory Committee, however, the Government's welfare reforms make losers out of millions of people.

The drive to cut public spending is not the only reason for the squeeze on some of the poor. The Government also appears to be reinstating some of the principles of the 1834 Poor Law Report. Nassau Senior, the co-author of the report, strongly believed in the principle of "less eligibility" - the notion that the able-bodied idle should be less eligible for benefits than those who worked. As Dr Nicholas Barr explains in a recent book, Senior worried that relief would otherwise tend "to increase that which it is intended to diminish."

The 1834 report led to a sharp change in attitudes. The Poor Law in operation since 1834 had striven to extend relief largely without stigma: the poor were to some extent regarded as innocent victims. From 1834 they were regarded as more responsible for their own plight. Workhouse rules were tightened and efforts made to ensure that the living standards of the unemployed were always lower than those of the poorest workers.

The decline in unemployment benefit relative to other benefits in the 1980s can be interpreted as a straightforward application of the principle of less eligibility. The able-bodied without work

got less than other categories of claimant because they do not deserve as much. The relative generosity of the new family credit, which is available only to poor families where the head of household has a job, can be seen in the same light. Ministerial speeches about the need to tackle a "dependency culture" underline this approach.

But there are other more quotidian explanations of the squeeze on some welfare recipients. Paradoxically, the problem partly reflects the attempts to simplify the system. Income support and premiums for special client groups such as the disabled reduce the complexities of supplementary benefit. A host of former distinctions have been eliminated, such as different rates for householders and non-householders and additional weekly payments for special needs.

The idea of giving everybody in a certain category the same allowance and leaving them to establish their own priorities sounds fine in principle. But the practical result is that needs may be less efficiently met. The circumstances of the poor vary tremendously. Claims such as the young who qualify for no premiums will get no extra help to reflect hard-to-heat accommodation.

Pensioners and others cannot react to the changing pattern of aid by moving into sensible accommodation. It often is not available. In practice, the benefits system must respond to actual needs, not the kind of "average needs" projected by DHSS computers. The advisory committee argues that some system of special payments for special needs will have to be reintroduced: real-world complexities cannot be abolished by a stroke of a civil servant's pen.

Holes in Britain's welfare safety net could quite easily be repaired, given the will and the cash. The construction of a serviceable ladder for the disadvantaged, however, is much more tricky. By basing benefits on net-of-tax rather than gross incomes, the Government has eliminated effective marginal tax rates of more than 100 per cent. But it has nearly doubled the number of poor families facing effective tax rates of 70-90 per cent as their benefits are withdrawn. It is debatable therefore whether the "poverty trap" has been significantly improved.

Some observers argue, short-sightedly, that the trap could be eliminated by "integrating" the tax and benefits systems" or by creating a "negative income tax", or by paying everybody an untaxed "social dividend". The high effective tax rates on the poor are caused, however, primarily by the withdrawal of means-tested benefits as incomes rise. Now that benefits are "integrated" the high marginal tax rates on the poor could not be avoided.

"We have seen no practical scheme that avoids this difficulty, except by accepting a worse evil: a substantial reduction in the level of support for the poor,



or high marginal tax rates on a much higher proportion of the population."

Indeed, far from advocating social dividend schemes, the IFS put the case for a much more rigorous targeting of benefits. The logic was that social security should be cost effective, even if it could not avoid creating disincentives.

In a modest way, the Government is gingerly treading the IFS path: the freezing of child benefit, for example, is part of a move to restrict welfare to the truly needy.

Targeting, however, is inevitably a stringent philosophy. Means testing stigmatises the disadvantaged and often results in low take-up of benefits: 45 per cent of family income supplement goes unclaimed.

Perhaps the answer is to stop thinking of the welfare state in terms of ladders and safety nets. Half of all payments go to pensioners and a further 17 per cent to the sick, disabled, and orphans. Incentives are irrelevant to these groups; arguably, they deserve more than a bare safety net.

All approaches that escaped these pitfalls would treat social security not as something to be ashamed of or cut to the bone, but as a technical device needed to improve the lives of large segments of the population. It will continue to be needed until the principal causes of poverty - inadequate pensions in old age, unemployment and low pay - are removed.

\* The Economics of the Welfare State, Wedderfeld and Nilsson, 1967.  
 \*\* The Reform of Social Security, Basil Blackwell, 1984.

HEADLINES tell part of the story. "Cool hand Duke" - "We cousin sees a warmer Dukakis" - Michael Dukakis, Governor of Massachusetts, is a cold fish - at least in public. But this liability has not prevented Mr Dukakis, the son of a Greek immigrant doctor, from finding himself once again the front runner for the Democratic Party's presidential nomination, as the primary season passes the half-way mark.

His victory this week in the Wisconsin primary has left him leading the field, ahead of Jesse Jackson and Albert Gore. Some polls even suggest that Governor Dukakis is ahead of Vice President George Bush in November, a contest which, if it materialises, will doubtless be billed as one between a cold fish and a wet blanket.

But Democrats, many of whom are still haunted by the Governor's loss to Mario Cuomo of New York or some other reluctant hero, are worried about a Dukakis candidacy. As columnist Mark Shields asked: can a man who gives voters the impression that a wild evening consists of rearranging his sock drawer really light the spark that can wrest back the White House from a Republican party which has won four out of the last five presidential elections?

The Dukakis campaign decided from the beginning not to contest an aura of false charisma, but to market a chief executive's competence, emphasising a commodity not exactly characteristic of the second term of Ronald Reagan. As "the Duke" himself put it last week with characteristic indifference to the poetry of political discourse: "I don't expect to be known as the Great Communicator. I want to be known as a Great Builder."

What he has built is a record of success as governor of a state which, since he first took office in 1975, has made the transition from Rust Belt doldrums to high-tech prosperity. Thirteen years ago, the state had an unemployment rate of 11 per cent, now it is less than three per cent.

Mr Dukakis, 54, claims that the state's industrial renaissance owes much to his leadership. This may be an exaggeration, but it is not surprising. Both Mr Rea-

Man in the News

Michael Dukakis

Passionless technocrat aiming to be a great builder

By Stewart Fleming



gan and Jimmy Carter stressed their gubernatorial records in their presidential campaigns. Indeed, in both cases, the way they behaved while running their states was at least partly reflected in the White House. Since Mr Dukakis has no real record outside Massachusetts, it is as good a guide as any.

His record shows reformist enthusiasm for innovation in government policy, tenacity in pursuit of goals and a style of political leadership which he believes is effective. He is certainly no big spending liberal who would simply throw money at economic or social problems, but he does believe in an activist role for government and in using taxpayers' money to bring about change.

In successful efforts to revive

languishing mill towns, Mr Dukakis has used government as a catalyst. He gets personally involved in bringing together business, labour and local authorities to create a positive atmosphere for economic development - "leveraging private investment with public investment" is how he puts it.

The state welfare programme he put into effect has alleviated the intractable poverty among the underclass in Massachusetts and has set a new standard for the Democratic Party. He is trying to break new ground with a universal health insurance scheme which his aides say would be the first in the country. It is in its final phase before the state legislature.

The standard Dukakis campaign speech contains this

ended in defeat, amid charges that he was arrogant and politically insensitive. He retired to Harvard University's Kennedy School of Government to recover from what his wife, Kitty, called a "public death". When re-elected in 1982, he began to practise what he had learned.

If he wins his party's nomination, he will inevitably carry into the conservative south the label of a Massachusetts liberal. But this aspect of his policies is mostly confined to external issues.

"I want a foreign policy that reflects our common sense and our values," he says. He attacks the Reagan Administration for ignoring the economic dimension of national security and for militarising foreign aid. "Shipping sophisticated arms to countries while their people starve to death."

He calls for a "conventional defence initiative" to replace the "fantasy" of Reagan's "Star Wars" - the Strategic Defence Initiative. He wants the "savings" from US/Soviet arms reductions to be devoted to global humanitarian relief. He is also in favour of fierce sanctions against South Africa and of a less self-righteous, less authoritarian approach to Washington's relations with Third World nations, especially in Latin America. (His Spanish is fluent.)

He wants to stabilise defence spending and to increase revenues by collecting unpaid taxes, a proposal which has been scornfully dismissed by, among others, Governor Cuomo. As a result, Governor Dukakis remains locked in the same financial straitjacket which Ronald Reagan's deficits have wrapped around all social policy innovators - and around presidential candidates from both parties.

His critics say that, without a more compelling message for the voters, Michael Dukakis, the central technocrat, would find Congress too tough a nut to crack as President - just as Jimmy Carter did before him.

If he had the passion, they say, it might be a different matter. The fact that Mr Bush has the same problem comes as cold com-

Oh well, YOU CAN BE SURE OF SHELL

WONDER how National Westminster will begin their chairman's statement next year, chuckled a senior manager at Barclays earlier this week...

William Hall reports on the battle to head Britain's banking league

The risks of Barclays' big play

Over the last five years it has spent £1.2bn on new technology and distribution systems and will have to spend another £1.5bn over the next five...

have had to stop lending by the end of this year had it not been for the rights issue...

issue is John Quinton's 'big play', says Mr Brown. Few doubt that Barclays is pursuing a high risk strategy...



The griffin is the crest of Barclays, the bank which is being investigated by the SFO...



David Mayhew leaving Bow Street Magistrates Court yesterday.

A more aggressive approach to prosecution. Other defendants which City lawyers yesterday described variously as imaginative or contrived...

Clive Wolman examines the background to the latest Guinness affair charges. The first charge against Mr Mayhew introduces, for what is thought to be the first time...

from retained profits. The rest came mainly from debt and equity issues and there is little sign that the bank is about to move into an era when it can...

Criminal tendencies. From Mr J.M. Lewis. 'There is no known reason to suppose that we are at more inherently criminal country than the rest of Europe...

Letters to the Editor. Art for art's sake. 'amounts on goods related to leisure and personal enjoyment. It is fair to say that the goods and services provided in relation to this expenditure have no intrinsic value...

Blame the claims, not the fee system. 'Sir, Mr Johnson and Mr Sheehan (Letters, April 5) would do better to criticize US courts and jurisprudence which entertain absurd claims for compensation...

Table with columns: Product, Applied rate, Int. Yield, Minimum balance, Access and other details. Title: BUILDING SOCIETY INVESTMENT TERMS

What is required in Europe now is not a common currency, but a parallel currency. From Mr John Pinder and Mr John Young. 'Sir, Writing about the need for a European currency (March 24) Samuel Brittan mentions the Federal Trust's recent report on monetary co-operation...

'A much-heralded reform seems an empty sham'. 'I sustained a shock when my accounts made calculations comparing the old and the new basis of assessment. It emerges that if 100% of the shares concerned were to have been sold before April 6 1983...

Perish the thought. 'Sir, Mr Peter Fort ("Food for Thought", April 2) is generous in his praise of the British Gastronomic Academy as something to be proud of...

Table with columns: Product, Applied rate, Int. Yield, Minimum balance, Access and other details. Title: BUILDING SOCIETY INVESTMENT TERMS





Jointly compiled by the Financial Times, Goldman, Sachs & Co., and Wood Mackenzie & Co. Ltd., in conjunction with the Institute of Actuaries and the Faculty of Actuaries

Table with columns: REGIONAL AND NATIONAL MARKETS, THURSDAY APRIL 7 1988, WEDNESDAY APRIL 6 1988, DOLLAR INDEX. Rows include Australia, Austria, Belgium, Canada, Denmark, Finland, France, West Germany, Hong Kong, Ireland, Italy, Japan, West Germany, Korea, Mexico, Netherlands, New Zealand, Norway, Singapore, South Africa, Sweden, Switzerland, United Kingdom, USA, and various regional indices like Euro-10, Pacific Basin, etc.

See index: Dec 31, 1986 = 100; Finland: Dec 31, 1987 = 115.557 (US \$ Index); 90.791 (Pound Sterling) and 94.94 (Local). Copyright, The Financial Times, Goldman, Sachs & Co., Wood Mackenzie & Co. Ltd. 1987. Latest prices were available for this edition.

TRADING VOLUME IN MAJOR STOCKS

The following is based on trading volume for Alpha securities dealt through the SEAI system yesterday until 5 pm.

Table with columns: Stock, Volume, Stock, Volume. Lists various stocks like ASDA Group, Allied-Lenox, Anglo-Continental, etc.

ECONOMIC DIARY

Today: OPEC's price committee meets in Vienna. Monday: Producer price index numbers (March-provisional). Tuesday: Quarterly analysis of bank advances (February). Wednesday: Finance ministers and central bankers of the Group of Seven industrial nations meet in Washington.

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

Table with columns: EQUITY GROUPS & SUB-SECTIONS, Friday April 8 1988, The Apr 7, The Apr 6, The Apr 5, Year Ago (approx), Highs and Lows Index. Rows include CAPITAL GOODS GROUP, Building Materials, Contracting, Construction, Electricals, Electronics, Mechanical Engineering, etc.

Table with columns: PRICE INDICES, FIXED INTEREST, AVERAGE GROSS RECEIPTABLE YIELDS. Rows include British Government, 5 years, 10 years, etc.

CONSTITUENT CHANGES: Henderson Group (22) has been deleted and replaced by Shanks & McEwan (88). Equity section in group: Base date: 1/11/87. Base value: 100.00.

FT-ACTUARIES SHARE INDICES QUARTERLY VALUATION

The market capitalisation of the equity groups and sub-sections of the FT-Actuaries indices as at March 31, 1988 are expressed below in millions of pounds and as a percentage of the All-Share Index. Similar figures are also provided for the two preceding quarters.

Table with columns: EQUITY GROUPS & SUB-SECTIONS, Market capitalisation at 31.03.1988, % of All-Share Index, Market capitalisation at 31.12.1987, % of All-Share Index, Market capitalisation at 30.09.1987, % of All-Share Index. Rows include CAPITAL GOODS GROUP, Building Materials, Contracting, Construction, etc.

NORTHERN IRELAND. The Financial Times proposes to publish this survey on: MONDAY, 17th October, 1988. For a full editorial synopsis and advertisement details, please contact: MR BRIAN HERON, Regional Manager, on 061 834 9381 (telex 666813).

Bank of Scotland announces that with effect from Monday 11th April 1988, its Base Rate will be decreased from 8.50% per annum to 8.00% per annum.

TSB BANK. TSB is decreasing its Base Rate by half a percentage point from 8.5% to 8.0% from close of business today, 8 April 1988. All other rates are under review.

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CLASSIFIED ADVERTISEMENT RATES. Per line (min. 3 lines), single col cm (min. 3 cm), £. Rows include Appointments, Commercial and Industrial Property, Residential Property, etc.

INTERNATIONAL COMPANIES AND FINANCE

Strong growth leaves BSN 43% up

BY GEORGE GRAHAM IN PARIS

BSN, France's leading food and drinks group, saw profits soar by 43.4 per cent last year to FF1.55bn (\$272.9m).

BSN, France's leading food and drinks group, saw profits soar by 43.4 per cent last year to FF1.55bn (\$272.9m).

In February this year BSN followed up by regrouping its Italian breweries with the Peroni company, forming a brewing group with about 40 per cent of the Italian market through brands such as Peroni, Wührer, Nastro Azzurro and Kronenbourg.



Antoine Riboud: tops forecast

Takeover for Swedish power group in balance

BY SARA WEBB IN STOCKHOLM

AGA, MODO and SCA, the three Swedish companies which last month bid SKr5.7bn (\$864.5m) for shares in Gräningsverken, a hydroelectric power and forestry group, have admitted defeat in their takeover attempt when the Nordin family made it clear it would not sell its 24 per cent stake in the company.

However, most of the Gräningsverken board rejected the bid and the Nordin family said it was determined to keep the pulp mill in operation and preserve jobs.

Air NZ appoints forestry executive as its chief

BY DAI HAYWARD IN WELLINGTON

AIR NEW ZEALAND has appointed Mr Jim Scott, an executive from the forestry industry with no previous experience in aviation, as its chief executive. He succeeds Mr Norman Geary who retires on June 1.

Mr Scott, 43 and a chemist by training, is general manager for the forestry and transport and operations of Carter Holt Harvey where he has been since 1977.

Thomson CSF shows 19% upturn in earnings

By Paul Bets in Paris

THOMSON CSF, the French state-controlled defence and professional electronics group, has reported a 19 per cent rise in net profits to FF2.6bn (\$497.7m) for 1987 compared with FF2.2bn the year before.

Group sales declined to FF33.9bn from FF36.1bn. However, the company said that group business structures had changed significantly last year following the merger of Thomson's semiconductor business with SGS of Italy and the sale of Thomson's medical subsidiary to General Electric of the US.

First Chicago doubles net income for first quarter

BY JAMES BUCHAN IN NEW YORK

FIRST CHICAGO, the holding company for the 11th-largest US banking group, doubled net income to \$141.5m in the first quarter alongside a good advance in lending and an improvement in the quality of loan assets.

Because the 1987 loss brought with it tax benefits, a more complete result for the first quarter was a tax-adjusted \$109.5m, or \$1.81 a share.

Net interest income, on a tax-equivalent basis, rose from \$277.9m to \$315.3m, while non-interest income rose from \$78.1m to \$269m.

Staff costs depress BHF-Bank

BY ANDREW FISHER IN FRANKFURT

BHF-BANK, the West German merchant bank, made a strong start in the current year after a sharp drop in partial operating profits in 1987, reflecting the high costs of an expansion in staff.

decline was smaller, said Mr Klaus Subjetzki, a managing partner. In the first two months of 1988, partial operating profits recovered to show a 13 per cent improvement, he added.

Last year, the bank increased staff by 10 per cent to 2,426 and staff costs were 12 per cent higher at DM198m.

IBM to license patents on PS/2 personal computers

BY ANATOLE KALETSKY IN NEW YORK

IBM OF THE US is to license out all patents connected with its new PS/2 line of personal computers, and has said it would also raise its licensing fees to "reflect better the value of IBM patents."

However, counterbalancing the competitive threat from the clone makers has been IBM's problems in selling the new PS/2 in a market which is increasingly dominated by other makers' models based on the original PC.

Bridgestone profits ahead by three quarters

By Our Financial Staff

BRIDGESTONE, the Japanese tyre maker which last month agreed the \$2.6bn takeover of Firestone Tire and Rubber in the US, pushed consolidated net profits up by nearly three quarters last year to reach Y36bn (\$286.4m) compared with Y21bn.

Rothmans responds icily to Brierley threat

BY BRUCE JACQUES IN SYDNEY

DIRECTORS OF Rothmans Holdings, the Sydney-based cigarette group half-owned by Brierley International of the UK, have responded icily to an "invitation" made for the company's shares by Sir Ron Brierley's Industrial Equity (IEL).

They warned yesterday that IEL was not actually offering to buy shareholders' scrip. Sir Ron this week invited owners of Rothmans Holdings to tender their shares in quantities and prices at their own discretion.

However, Elders has declared an interest of nearly 32 per cent in North which itself has just completed a takeover of mining colleague Peko-Waldens, one of the biggest mining mergers in Australia's history.

Mr Wade, who disputes Elders' right to count Peko's North shares as its own, says Elders is too preoccupied with consolidating NZ Forest to mount a bid for North.

Amax restores ordinary payout

AMAX, the US mining group, is to restore a dividend on ordinary shares after a three-year gap. At 5 cents a share the quarterly payout will cost the company barely \$5m, writes Our Financial Staff.

For the three months to December Amax incurred a net loss of \$28.8m, or \$2.90 per share, after a \$88.5m writedown on non-current assets. Along with aluminium, coal and gold this is a core business following restructuring.

WORLD COMMODITIES PRICES

Week in the Markets

THE LONDON Metal Exchange nickel market showed signs this week of returning to the real world, although prices were still at levels which would have been unthinkable only a few months ago.

In the past three days, however, the downward move has been re-established more securely with a cash price fall of \$3,800 to \$16,450 a tonne.

The underlying bullish fundamentals remain in place - stocks are still extremely low, demand from the stainless steel industry continues very high and an export levy dispute is still affecting supplies from the Dominican Republic.

One piece of bullish news this week was a delay to a 1m (450 tonne) shipment of ferro-nickel by Falconbridge Dominicana because of what company officials described as a "bureaucratic hitch".

LME aluminium prices also came under heavy pressure this week, but traders saw the fall mainly as a technical reaction against the earlier record-breaking upsurge, rather than to any change in the market's strong underlying fundamentals.

The copper market resumed its downward trend before rallying modestly yesterday. Local short-covering provided late support. Drove oil futures fell in light volume on light trade and commission house selling, local and commission house buying was noted at the shorts.

about 130,000 tonnes, followed by one of 830,000 tonnes next year. Cocoa futures prices, responding to sterling's continued strength against the dollar, slipped to fresh 54-year lows yesterday before recovering somewhat later in the day.

Dealers continued to blame cocoa's weakness on expectations that the already-high stock level will be increased still further by another supply-demand surplus in the current season. They also noted that physical demand remained extremely slack.

Table with columns: Commodity, Latest price, Change on week, Year ago, High 1987/88, Low 1987/88. Includes Gold, Silver, Aluminium, Copper, Lead, Nickel, Zinc, Tin, Cocoa, Sugar, Wheat, Cotton, Wool, Rubber, Oil.

Table with columns: Commodity, Close, Previous, High/Low. Includes SOYABEANS, MAIZE, WHEAT, RICE, SUGAR, COFFEE, COTTON, RUBBER, CATTLE, PIGS, SHEEP, HOGS, BEEF, LAMB, CHICKEN, EGGS.

Table with columns: Commodity, Close, Previous, High/Low. Includes SOYABEANS, MAIZE, WHEAT, RICE, SUGAR, COFFEE, COTTON, RUBBER, CATTLE, PIGS, SHEEP, HOGS, BEEF, LAMB, CHICKEN, EGGS.

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WORLD STOCK MARKETS

NEW YORK (3 pm)

Table of stock prices for various companies in New York, including columns for company names, prices, and changes.

Wall Street

Dow hovers as market hangs fire

A slow session on Wall Street saw stocks move in a narrow range by midsession. Blue chips stayed a few points above and below Thursday's close while advancing and declining issues were evenly matched.

Canada

Declining base metals, energy issues and industrials outweighed a gain by gold as Toronto closed 1.88 points lower.

Frankfurt

Pre-weekend caution and the absence of any significant new factors left investors on the sidelines and share prices closed easier after a quiet day.

Tokyo

The Nikkei index lost 20.38 to 2,748.89 after hitting a morning peak of 2,826.41, following a surge of 258.05 points on Thursday to a record high.

Australia

Scattered local buying by institutions continued, leaving the ASX 1.88 points higher.

Amsterdam

Prices in Amsterdam closed mixed with the ANEX general index slipping 0.8 to 249.6.

Stockholm

The advancing London stock exchange has pushed prices to Stockholm an average of 0.6 per cent higher.

Zurich

Light profit-taking early in the session in Zurich was followed by bargain-hunting which lifted most prices above the day's lows.

Milan

Volume in Milan picked up near the close and share prices closed slightly higher.

Singapore

An absence of follow-through buying support and bouts of profit-taking in late trading edged Singapore share prices lower after three days of gains.

Hong Kong

Moderate profit-taking followed the sharp gains on Thursday and Hong Kong share prices closed a shade lower.

Paris

A late rally as bargain-hunting on selected stocks set in boosted prices and French shares ended the session 0.58 per cent higher.

London

The All Ordinaries index rose 12.1 to 1,424.7 in turnover of 100.8m shares.

Madrid

Spain's stock market closed higher on Thursday with the IBEX 35 index up 1.25 to 1,215.5.

Bombay

The Bombay Stock Exchange closed higher on Thursday with the S&P 100 index up 1.25 to 1,215.5.

Calcutta

The Calcutta Stock Exchange closed higher on Thursday with the S&P 100 index up 1.25 to 1,215.5.

Delhi

The Delhi Stock Exchange closed higher on Thursday with the S&P 100 index up 1.25 to 1,215.5.

Hyderabad

The Hyderabad Stock Exchange closed higher on Thursday with the S&P 100 index up 1.25 to 1,215.5.

Madras

The Madras Stock Exchange closed higher on Thursday with the S&P 100 index up 1.25 to 1,215.5.

Chennai

The Chennai Stock Exchange closed higher on Thursday with the S&P 100 index up 1.25 to 1,215.5.

Coimbatore

The Coimbatore Stock Exchange closed higher on Thursday with the S&P 100 index up 1.25 to 1,215.5.

Trichy

The Trichy Stock Exchange closed higher on Thursday with the S&P 100 index up 1.25 to 1,215.5.

INDICES

Table of various stock indices including Dow Jones, S&P 500, Nikkei, etc., with columns for index name, value, and change.

NEW YORK ACTIVE STOCKS

Table of active stock prices in New York, including columns for stock name, price, and change.

NEW YORK DOW JONES

Table of Dow Jones index data for various dates, including columns for date, high, low, and close.

CANADA

Table of Canadian stock market data, including columns for index name, value, and change.

Notes and footnotes regarding the data presented in the tables, including currency conversions and data sources.

CURRENCIES AND MONEY

LONDON STOCK EXCHANGE

Base rate cuts help equities and I-L Gilts

FOREIGN EXCHANGES

Sterling retains its attraction

STERLING SHRUGGED off a half point out in base rates yesterday and showed every sign of continuing its upward trend. Its exchange rate index recovered from a low of 76.1... to finish unchanged from the opening at 78.3.

STERLING 5925 compared with 5922.6000. It was unchanged against the yen at 235.50 and closed at FF10.6425 from FF10.6550.

With little incentive to carry exposed positions until after next week's G7 meeting, the release of US trade figures for February on Thursday... was another factor restricting trade.

Account Dealing Dates

Table with columns: First Declared, Last Declared, Account Day, and dates from Apr 11 to Apr 15.

THE TIMING of the half point cut in UK bank base rates to 8 per cent caught the City of London completely by surprise yesterday. The stock market, led by the consumer issues which will benefit most directly from lower domestic interest rates, rose sharply as the extended Easter trading account came to its end.

FINANCIAL TIMES STOCK INDICES table showing various indices like Government Sec, Fixed Interest, Ordinary, Gold Mines, etc. with columns for Apr 8, Apr 7, Apr 6, Apr 5, Mar 31, Year Ago, and 1987/88 High/Low.

Elsewhere, Sound Diffusion moved up 4 to 81p in the wake of the 23.5% rights issue. Rowntree the UK confectionery group, started 8 to 83p on turnover of 2.1m shares at 100p.

£ IN NEW YORK

Table with columns: Apr 8, Latest, Previous, and values for £100, £50, £25, £10, £5, £1.

POUND SPOT-FORWARD AGAINST THE POUND

Table with columns: Apr 8, Apr 7, Apr 6, Apr 5, Mar 31, Year Ago, and 1987/88 High/Low for various currencies like US, Canada, West Germany, etc.

STERLING INDEX

Table with columns: Apr 8, Latest, Previous, and values for Sterling Index, US Dollar, Canadian Dollar, etc.

DOLLAR SPOT-FORWARD AGAINST THE DOLLAR

Table with columns: Apr 8, Apr 7, Apr 6, Apr 5, Mar 31, Year Ago, and 1987/88 High/Low for various currencies like UK, West Germany, France, etc.

CURRENCY RATES

Table with columns: Apr 8, Latest, Previous, and values for Sterling, US Dollar, Canadian Dollar, etc.

EURO-CURRENCY INTEREST RATES

Table with columns: Apr 8, Apr 7, Apr 6, Apr 5, Mar 31, Year Ago, and 1987/88 High/Low for various currencies like Sterling, US Dollar, etc.

CURRENCY MOVEMENTS

Table with columns: Apr 8, Latest, Previous, and values for Sterling, US Dollar, Canadian Dollar, etc.

EXCHANGE CROSS RATES

Table with columns: Apr 8, Apr 7, Apr 6, Apr 5, Mar 31, Year Ago, and 1987/88 High/Low for various currencies like £/\$, £/DM, etc.

OTHER CURRENCIES

Table with columns: Apr 8, Latest, Previous, and values for various currencies like Argentine, Australian, etc.

MONEY MARKETS

Base rates come down to 8%

CLEARING BANK base rates fell by half a point to 8 p.c. yesterday following a reduction in the Bank of England's dealing rates.

The four banks, all in band 1 at 7 1/2 p.c. The Bank also lent \$640m to the market at 8 p.c. Total help came to \$750m.

The fall in rates was reflected in the average rate of discount at the weekly Treasury bill tender.

FT LONDON INTERBANK FIXING

Table with columns: 01.00 a.m. Apr 8, 3 months US dollars, 6 months US dollars, and values for various currencies.

MONEY RATES

Table with columns: Apr 8, Apr 7, Apr 6, Apr 5, Mar 31, Year Ago, and 1987/88 High/Low for various currencies like US, Canada, etc.

LONDON MONEY RATES

Table with columns: Apr 8, Apr 7, Apr 6, Apr 5, Mar 31, Year Ago, and 1987/88 High/Low for various currencies like £/\$, £/DM, etc.

as the base rates cuts brought a brief spate of inflation worry. But the sector then rallied with the pound to finish with falls of only 1/4 or so.

Short Gilts followed money market trends to close 1/4 point up. The strongest response was in index-linked, which added a full point. However, it stocks are not always regarded in the market as convincing indicators of inflation views.

The index has lost 75.6 points over the three week Easter account, having rallied by 2.1 per cent this week on speculative reports from Japan that the Group of Seven meeting next week will see a new floor under the US dollar.

Well Street's quiet overnight performance brought a slow start in London equities. The market tracked steadily, taking in its stride the day's fluctuations.

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is attainable and are using it as the basis for a projected 27 per cent increase in earnings this year to 22.7p per share. Long term, they suggest that Reuters could rank among the world's premier growth companies of the 1990's.

Scottish & Newcastle (S & N) powered higher as speculators took another run at the shares in a repeat of a similar situation just four weeks ago.

Marketmakers detected the presence of a large buyer of S & N late on Thursday. He became more aggressive yesterday morning and this incited a flurry of speculative interest which found several traders running short book positions.

LONDON TRADED OPTIONS

Large table with columns: Option, Apr, May, Jun, Jul, Aug, Sep, Oct, Nov, Dec, and values for various options like Allied Lyons, B.P., etc.

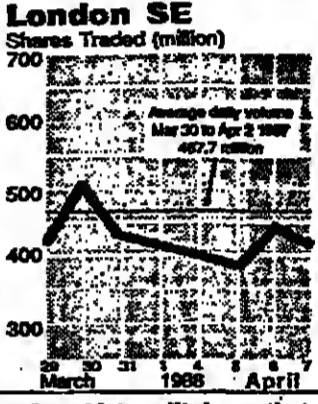
REJECTION OF THE PACKAGE

REJECTION OF THE PACKAGE designed to increase car production coupled with a faster start-up rate dampened enthusiasm for Jaguar and the close was 5 p.c. easier at 282p. KRF, the heavy truck manufacturer, rounded off a good performance which has seen the shares jump 36 p.c. over the past two sessions to 289p on record, out and over figures.

Other shares came off late in the day as securities houses Kleinwort Grievson was said to have turned bullish of today's meeting of the OPEC pricing committee.

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market of late, rallied sharply to finish 22 to the good at 531p with the advance giving rise to a revival of takeover talk. BRT, reflecting the sale of Destination Company leader, Lunn, added 8 to 238p. Carclo, up 6 at 172p, responded to the sale of its 5.1 per cent stake in Bricol; the latter eased to 152p on the news before recovering to close a few pence better on balance at 156p.

Other shares came off late in the day as securities houses Kleinwort Grievson was said to have turned bullish of today's meeting of the OPEC pricing committee.

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NEW HIGHS AND LOWS FOR 1987/88

Table with columns: NEW HIGHS, NEW LOWS, and values for various companies like BHP, ICI, etc.

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LONDON STOCK EXCHANGE

DEALINGS

Details of business done below have been taken with consent from last Thursday's Stock Exchange Official List... Details of business done below have been taken with consent from last Thursday's Stock Exchange Official List...

Corporation and County Stocks

Greater London Council 1987-90 Deb 8 1/2% 1988-90 Deb 8 1/2% 1989-90 Deb 8 1/2% 1990-93 Deb 8 1/2%

UK Public Boards

Agri-Food PLC 1987-90 Deb 8 1/2% 1988-90 Deb 8 1/2% 1989-90 Deb 8 1/2% 1990-93 Deb 8 1/2%

Foreign Stocks, Bonds, etc

London Stock Exchange Foreign Stocks, Bonds, etc. Includes various international securities.

Registered Housing Societies

Registered Housing Societies. Includes details for various housing organizations.

Commercial, Industrial, etc

Commercial, Industrial, etc. Includes details for various commercial and industrial companies.

Overseas Borrowers

Overseas Borrowers. Includes details for various international borrowing entities.

Banks and Discount Companies

Banks and Discount Companies. Includes details for various financial institutions.

Breweries and Distillers

Breweries and Distillers. Includes details for various beverage companies.

Continental PLC 1987-90 Deb 8 1/2% 1988-90 Deb 8 1/2% 1989-90 Deb 8 1/2% 1990-93 Deb 8 1/2%

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BIOTECHNOLOGY

The Financial Times proposes to publish this survey on:

May 27

For a full editorial synopsis and details of available advertisement positions, please contact:

Stephen Dumber-Johnson on 01-243 8000 ext 4148

or write to him at:

Bracken House 10 Cannon Street EC4P 4BY

FINANCIAL TIMES LONDON & NEW YORK

EUROPEAN OPTIONS EXCHANGE

Table with columns for Series, May 88, Jun 88, Jul 88, Aug 88, Sep 88, Oct 88, Nov 88, Dec 88, and Stock. Lists various options series and their corresponding stock prices.

Table with columns for Series, Apr 88, May 88, Jun 88, Jul 88, Aug 88, Sep 88, Oct 88, Nov 88, Dec 88, and Stock. Lists various options series and their corresponding stock prices.

TOTAL VOLUME IN CONTRACTS: 26,629

A=Ask B=Bid C=Call P=Put

BANK RETURN

Table showing banking department returns. Columns include LIABILITIES, ASSETS, and ISSUE DEPARTMENT, with sub-columns for various categories and their respective values.

BASE LENDING RATES

Table showing base lending rates for various banks and currencies. Columns include bank names, currency types, and interest rates.

LEADERS AND LAGGARDS

Table showing percentage changes for various sectors. Columns include Property, Manufacturing, and others, with their respective percentage changes.

RISES AND FALLS

Table showing rises and falls for various financial instruments. Columns include British Funds, Corporate Bonds, and others, with their respective values.

BIOTECHNOLOGY advertisement. Text: 'The Financial Times proposes to publish this survey on: 27 MAY 1988. For a full editorial synopsis and advertisement details, please contact: S. DUNBAR-JOHNSON on 01-248 8000 ext 4148 or write to him at: Bracken House 10 Cannon Street London EC4P 4BY. FINANCIAL TIMES EUROPE'S BUSINESS NEWSPAPER'

AUTHORISED UNIT TRUSTS

Large table listing authorized unit trusts. Columns include trust names, managers, and other details. Includes sub-sections like 'Abbey Unit Trusts', 'Abbey Management Ltd', etc.

FT UNIT TRUST INFORMATION SERVICE

Large table listing unit trusts from the FT Unit Trust Information Service. Columns include trust names, managers, and other details. Includes sub-sections like 'F&I Development Management Ltd', 'F&I Investment Management Ltd', etc.

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FT UNIT TRUST INFORMATION SERVICE

Main table containing financial data for various unit trusts, organized into columns and rows. Includes sub-sections like 'INSURANCES' and 'Legal & General - Contd.'.

Continued on next page

FT UNIT TRUST INFORMATION SERVICE

Main table containing unit trust information with columns for company name, address, and various financial metrics.

MANAGEMENT SERVICES

OFFSHORE AND OVERSEAS

Table listing management services and offshore/overseas unit trusts with columns for company name, address, and financial data.

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FT UNIT TRUST INFORMATION SERVICE

LONDON SHARE SERVICE

Table of FT Unit Trust Information Service, listing various unit trusts with columns for Name, Investment Objective, and other details.

Table of British Funds, categorized into 'Shorts' (lives up to five years) and 'Five to Fifteen Years', listing fund names and performance metrics.

Table of British Funds - Contd, listing various fund names and their performance data.

Table of Foreign Bonds & Rails, listing international bond and rail investments with their respective prices and yields.

Money Market Trust Funds and Money Market Bank Accounts sections, providing details on interest rates and investment options.

Money Market Bank Accounts section, detailing bank account offerings and interest rates.

Money Market Bank Accounts section, providing further information on financial products and services.

Money Market Bank Accounts section, concluding the list of financial products and services.

LONDON SHARE SERVICE

AMERICANS - Contd. Table with columns for Stock, Price, and other financial metrics.

CANADIANS. Table with columns for Stock, Price, and other financial metrics.

BANKS, HP & LEASING. Table with columns for Stock, Price, and other financial metrics.

BEERS, WINES & SPIRITS. Table with columns for Stock, Price, and other financial metrics.

BUILDING, TIMBER, ROADS. Table with columns for Stock, Price, and other financial metrics.

BUILDING, TIMBER, ROADS Contd. Table with columns for Stock, Price, and other financial metrics.

CHEMICALS, PLASTICS. Table with columns for Stock, Price, and other financial metrics.

DRAPERY AND STORES. Table with columns for Stock, Price, and other financial metrics.

DRAPERY AND STORES - Contd. Table with columns for Stock, Price, and other financial metrics.

ELECTRICALS. Table with columns for Stock, Price, and other financial metrics.

ENGINEERING. Table with columns for Stock, Price, and other financial metrics.

ENGINEERING. Table with columns for Stock, Price, and other financial metrics.

ENGINEERING. Table with columns for Stock, Price, and other financial metrics.

ENGINEERING - Contd. Table with columns for Stock, Price, and other financial metrics.

FOOD, GROCERIES, ETC. Table with columns for Stock, Price, and other financial metrics.

HOTELS AND CATERERS. Table with columns for Stock, Price, and other financial metrics.

INDUSTRIALS (Misc.) - Contd. Table with columns for Stock, Price, and other financial metrics.

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LONDON SHARE SERVICE

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INSURANCES - Contd

Table listing insurance companies and their share prices.

PAPER, PRINTING, ADVERTISING - Contd

Table listing paper, printing, and advertising companies and their share prices.

TEXTILES - Contd

Table listing textile companies and their share prices.

TRUSTS, FINANCE, LAND - Contd

Table listing trusts, finance, and land companies and their share prices.

OIL AND GAS - Contd

Table listing oil and gas companies and their share prices.

MINES - Contd

Table listing mining companies and their share prices.

LEISURE

Table listing leisure companies and their share prices.

PROPERTY

Table listing property companies and their share prices.

TOBACCO

Table listing tobacco companies and their share prices.

TRUSTS, FINANCE, LAND

Table listing trusts, finance, and land companies and their share prices.

TRUSTS, FINANCE, LAND - Contd

Table listing trusts, finance, and land companies and their share prices.

OVERSEAS TRADERS

Table listing overseas traders and their share prices.

MOTORS, AIRCRAFT TRADES

Table listing motor and aircraft trade companies and their share prices.

PROPERTY

Table listing property companies and their share prices.

TRUSTS, FINANCE, LAND

Table listing trusts, finance, and land companies and their share prices.

FINANCE, LAND, etc

Table listing finance, land, and other companies and their share prices.

PLANTATIONS

Table listing plantation companies and their share prices.

MINES

Table listing mining companies and their share prices.

Central Rand

Table listing Central Rand mining companies and their share prices.

Eastern Rand

Table listing Eastern Rand mining companies and their share prices.

Far West Rand

Table listing Far West Rand mining companies and their share prices.

Diamond and Platinum

Table listing diamond and platinum mining companies and their share prices.

Central African

Table listing Central African mining companies and their share prices.

Finance

Table listing finance companies and their share prices.

Australians

Table listing Australian companies and their share prices.

Commercial Vehicles

Table listing commercial vehicle companies and their share prices.

Components

Table listing component companies and their share prices.

Garages and Distributors

Table listing garage and distributor companies and their share prices.

NEWSPAPERS, PUBLISHERS

Table listing newspaper and publisher companies and their share prices.

PAPER, PRINTING, ADVERTISING

Table listing paper, printing, and advertising companies and their share prices.

SHIPPING

Table listing shipping companies and their share prices.

SHOES AND LEATHER

Table listing shoes and leather companies and their share prices.

SOUTH AFRICANS

Table listing South African companies and their share prices.

TEXTILES

Table listing textile companies and their share prices.

TRUSTS, FINANCE, LAND

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OIL AND GAS

Table listing oil and gas companies and their share prices.

REGIONAL & IRISH STOCKS

Table listing regional and Irish stocks and their share prices.

IRISH

Table listing Irish companies and their share prices.

TRADITIONAL OPTIONS

Table listing traditional options and their share prices.

MINES - Contd

Table listing mining companies and their share prices.

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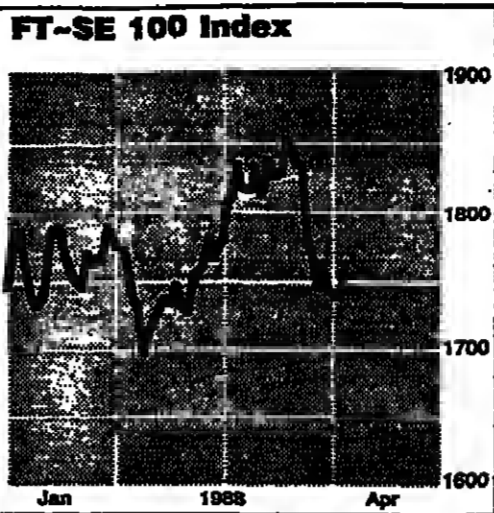
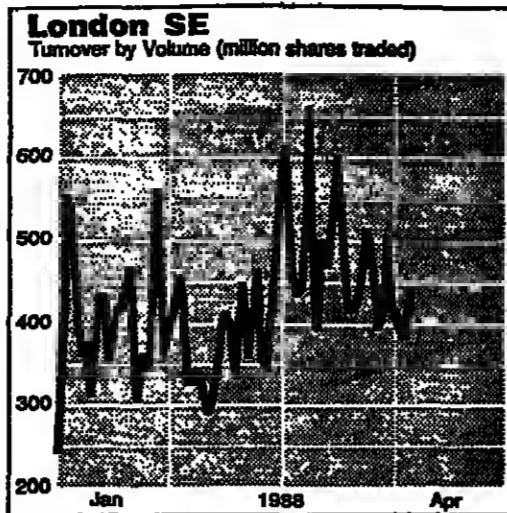




Edgy City copes with record Barclays issue

TWO YEARS AGO, in a raging bull market, a record £724m cash call from National Westminster sent the London stock market...

overseas/exporters' profits, there is no doubt which scenario the market prefers. With this underlying dilemma...



At least there is every sign that the corporate sector knows it should not - indeed, cannot - push its luck. The Barclays call itself takes the form of a deep discount issue...

The rest of the Staley purchase price will be met by bank loans - part of which will be repaid by subsequent asset sales.

Tate must hope that it has an easier ride than building group Besser, its £1.7bn bid for Koppers was extended on Thursday as the offer became trapped in legal quagmires.

Nikki Tait

London

On Wednesday, though, matters became more cheerful amid clear signs that the Bank of England was heading off a breach of the DM3.14 level.

That was enough to depress export-oriented stocks despite signs of intervention by the US authorities on the dollar front...

fall in line shortly afterwards. The market's reaction was modestly gleeful. Having drifted some five points higher ahead of the Bank's signal...

It remains true, of course, that the Barclays fund-raising coincides with the final tranche due on British Gas - a not inconsiderable £1.66bn which falls due on April 19.

That, in itself, should pose little strain given the present institutional liquidity position. The more fundamental question is how enthusiastic fund managers will be about backing the UK equity market while the exchange front remains unsettled.

Suspended ceilings raise high hopes

Junior Markets



year-old. An early partner, the "Ros" of Roskel, soon departed and Skeldon has built-up and expanded the business gradually.

ing and tower hire business and we want to open a further division in another area of the building trade.

The bulk of the contracting work is repeat business, especially at the retail end. When companies instal new or up-dated electrical, mechanical or acoustic systems in their shops...

Fiona Thompson

HIGHLIGHTS OF THE WEEK

Table with columns: Price ytd, Change on week, 1987/88, 1987/88 Low, and description of market events.

IF YOU ARE shopping in Tesco's today, take a breather by the hot bread counter and glance upwards. That pristine, white-panelled suspended ceiling above you is up for sale.

business, and a fair amount for Sainsbury and Asda. When you consider that large retail stores change their ceilings every five years or less, it is not a bad business to be in.

CP Supplies, the distribution business, has seven depots across the country and its suspended ceilings installation business, with four branches - in Birmingham, Edmonton in north London, Croydon in south London, and Glasgow.

APV, which in January changed its name from APV Baker, has undergone a radical restructuring with the reduction of more than 200 divisions to nine main subsidiaries.

RESULTS DUE: Table listing companies and their dividend dates.

CURRENCY translations worked against BTZ, the mining and industrial company, during 1987 because the company uses the end-December rate rather than the average for the year.

Supermarket chain TESCO is expected to produce another substantial increase in pre-tax profits when it announces its preliminary results on Wednesday.

On Tuesday WARD WHITE, the retail conglomerate, is expected to announce pre-tax profits of about £68m for the year to January 30.

However, Philip Birch, the chairman and managing director, should report strong performance from Ward White's core business, Harlands and Penneys, the DIY chain, and a good first full year from Whitlock, the US car parts chain.

APV, the rapidly-expanding food and drink processing equipment manufacturer will announce its 1987 results on Wednesday. Analysts expect pre-tax profits to rise to £42m, compared with £27.5m for 1986.

BLUE GIRL, the UK's largest cement manufacturer which this year narrowly lost a £275m bid for Birmid Quaker, is likely to reflect the boom in the British construction industry when it announces its 1987 results on Friday.

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INTEREST RATES: WHAT YOU SHOULD GET FOR YOUR MONEY

Table showing interest rates for clearing banks, building societies, national savings, money market accounts, and British government stocks.

COMPANY NEWS SUMMARY

Table of TAKE-OVER BIDS AND MERGERS with columns for Company, Bidder, and Status.

\*All cash offer. †Cash alternative. ‡Partial bid. §For capital and shares held. ¶Unclassified. \*\*Based on 2.20 per share. ††Number of cov. Linn stock. †††Suspension. ††††Share and cash. †††††Offered to NAV to be determined. ††††††Linn stock.

PRELIMINARY RESULTS

Table of PRELIMINARY RESULTS with columns for Company, Year, Previous profit, Current profit, and Dividend.

INTERIM STATEMENTS

Table of INTERIM STATEMENTS with columns for Company, Half-year, Previous profit, and Current profit.

RIGHTS ISSUES

Astra Holdings are to raise £30.65m via a 22-for-25 rights issue at 27p. Barclays are to raise £92m via a one-for-two rights issue at 327p.

OFFERS FOR SALE, PLACINGS AND INTRODUCTIONS

MMEC are to join the USM via an offering of 11m shares at 95p.

ROTTERDAM advertisement for Financial Times (Benelux) Ltd, including contact information and a full color residential property advertising offer.

\*Lloyds Bank. †Halfpax 90-day; immediate access for balances over £5,000. ‡Special facility for extra £5,000. §Source: Phillips and Drew. ¶Assumes 4.5 per cent inflation rate. 1 Paid after deduction of composite rate tax. 2 Paid gross. 3 Tax free. 4 Dividends paid after deduction of basic rate tax.

MARKETS

Why foreigners should kick themselves

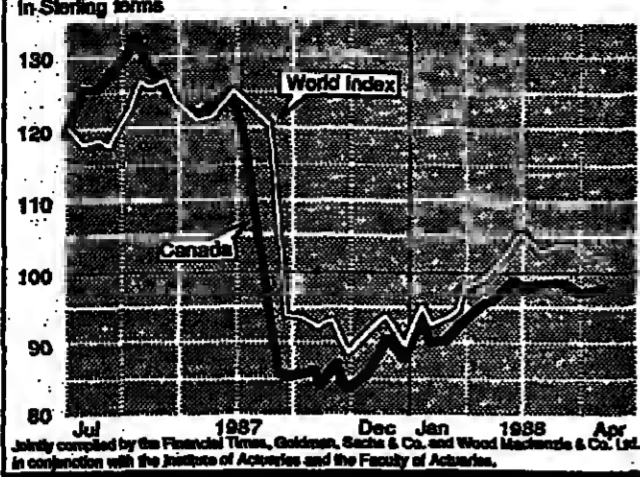
Canada

FOREIGN INTEREST in Canadian equities has been conspicuous mainly for its absence since last October. This is unfortunate, since any European or American investor who did opt to chance his arm in Canadian stocks early in February should be congratulating himself on his foresight.

In the past two months, the Toronto Stock Exchange's benchmark TSE-300 composite index has gained about 12 per cent, or more than 350 points. Over the same period, the once-sluggish Canadian dollar has continued to climb against its US cousin to well above the psychologically important 80 US cent mark.

It has also held its own against most European currencies - the pound excepted - and in the process has become the favourite of the month for Eurobond financiers. In part, the still-nervous and thin market has merely been riding on the coat-tails of Dow Jones. The Canadian and US economies are, after all, linked increasingly and inextricably. As a result, where the Big Board leads Toronto (the world's sev-

FT-A World Indices



Index compiled by the Financial Times, Goldman, Sachs & Co. and Wood Mackenzie & Co. Ltd. in conjunction with the Institute of Actuaries and the Faculty of Actuaries.

enth largest market in terms of capitalisation) often will follow. However, the Dow's rise over the period has amounted to less than 10 per cent. What additional factors are in play in Canada?

The buoyancy of the dominant resource sector is certainly one. As fears of recession, triggered first by the October crash, have tended to recede beyond the US presidential election, so the year-old bull market in commodities

has caught second wind. Metals/minerals stocks have led the way, surging by an average of more than 20 per cent in two months as nickel and aluminium prices have gone through the roof. Canada is a major producer of both these commodities through the likes of Inco, Falconbridge and Alcan. The stock of each of these companies has risen accordingly. Paper and forestry issues,

meanwhile, have climbed by a more conservative 9 per cent; however, coming labour talks and signs of a downturn in the lumber sector are serving to dampen enthusiasm despite the industry's record 1987 profits and the strong pulp and paper outlook.

The only laggard has been precious metals - the star performer before October. TSE gold and silver stocks dropped exactly 10 per cent between late October and April. Since Toronto's gold index accounts for more than 10 per cent of the 300 composite, this has been a substantial drag.

Nevertheless, the market's heavy resource industry component would probably have propelled the composite index somewhat higher in recent months were it not for the strength of the Canadian dollar.

Canadian resource companies typically derive a high proportion of their income by exporting abroad. In such circumstances, a buoyant domestic currency can impact quite heavily on a mining or forestry firm's bottom line. The dollar's strength is taking the gravel away," according to John Ing of Mason Placements in Toronto. Also stimulating the market in recent months has been a striking upsurge in Canadian take-

FT-ACTUARIAL WORLD INDICES

Table with columns: Country, % Change Jan/Jan 1988, % Change Apr/Jan 1987. Lists countries like Australia, Austria, Belgium, Canada, Denmark, France, West Germany, Hong Kong, Ireland, Italy, Japan, Malaysia, Mexico, Netherlands, New Zealand, Norway, Singapore, S Africa, Spain, Sweden, Switzerland, UK, USA.

\* The Financial Times, Goldman Sachs and Co. Wood Mackenzie and Co. Ltd 1987

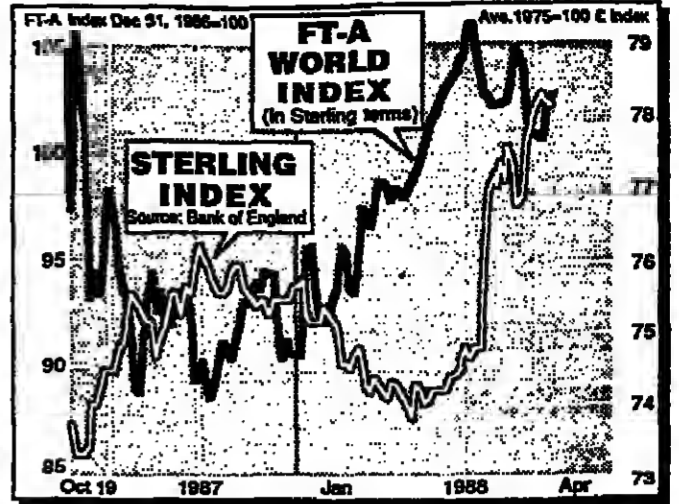
over activity. Most of the headlines have been gathered by French-Canadian developer Robert Campeau for his bold, tenacious and ultimately successful US\$4.6bn raid on the US-based

Federated Department Stores. More significant, though, in terms of its impact on the Toronto index has been Michael DeGroot's decision to sell control of Laidlaw Transportation, the Ontario waste management firm which is also the largest school bus operator in North America.

Class B Laidlaw stock rose C\$3 to C\$20 3/4 following the announcement that it was for sale on March 30. There, approximately, it has lingered awaiting further developments. At C\$4bn, the Burlington-based concern is one of the 15 largest TSE-listed companies in terms of market value.

The Canadian energy patch has also been awash with attempted and completed takeovers in recent months. The activity has pushed the TSE oil and gas sub-index up by 12 per cent since early February, despite the uncertain oil market. Pipeline stocks have also been buoyed, rising 15 per cent over the same period.

The biggest completed deals have been TransCanada Pipelines' C\$1.1bn purchase of Encor Energy in December and Gulf Canada's C\$12m takeover of Assemer early last week. Still on the boil is Nova's revised C\$2.50 a share offer for Polysar Energy



& Chemical, which would create one of North America's largest petrochemical producers. In addition, Husky Oil is still hoping to pry Texaco Canada from its beleaguered US parent.

Looking ahead, analysts expect the market to remain in its present 3,000-3,500 range (the 1987 high was comfortably over 4,100) until at least the end of the year, when the 1989 economic outlook in both the US and Canada

strength. But it has had a mildly bearish impact on stocks by blunting the heavily export-dependent resource sector's perceived profit potential.

If expectations of slower growth in the US, and by extension in Canada, prove well-founded, analysts project that interest rates will be allowed to fall.

Were a positive trend to become established, the feeling is that there is plenty of cash on the sidelines waiting to move in. "There is a lot of money building up if people get the conviction to buy," says Marshall Miller, Toronto-based director of research with Midland Doherty. David Owen

A touch of spring fever...

FOR A FLEETING half-session on Wednesday, Wall Street was just like its old self. Emboldened by rumours of a Group of Seven floor for the dollar, stocks raced ahead for their second-best day of the year. Oh, to be a young trader in the springtime of the market. "There's purpose to life," enthused one who felt the sun on his face and the market's rising after a long desultory post-crash winter. "Bring on the limousines!" cried another.

The enthusiasm was infectious. The rapid price rise prompted a wave of computer-generated programme trading between stocks and stock indices which drove prices even higher. When the Dow Jones Industrial Average gained 50 points from the opening, the New York Stock Exchange invoked its curb on programme trades.

The curb was designed to dampen volatility by barring programme traders from using the exchange's computers to enter big baskets of orders as they profited from the gap between prices

of stocks and stock indices. From its inception in February until Wednesday, it had been triggered five times, but only by a falling market. It had worked a treat, stopping declining stocks dead in their tracks right at the limit.

On Wednesday, however, the market was unstoppable. An unceremonious hush settled briefly

Wall Street

over the floor when the exchange announced the curb at 3.30pm. But programme traders were not to be deterred. Denied the computers, they resorted to old-fashioned manual techniques. Within moments, their floor brokers fanned out across the trading room clamouring to do business.

Coupled with genuine buying interest from investors, the brisk trading pushed the Dow up by 64.16 points at the close. The exchange did not appear to be unhappy about the turn of events

because the curb had slowed the market's rise sharply. It was nice while it lasted. Since then, drifting stocks have left cycles wondering if it was just a one-day spring fever.

After weeks of being ground down by bad news about the dollar and rising interest rates, stocks were ripe for a technical rebound. The newspapers are unnumbered, though, by a large number of analysts and investors who believe last Wednesday was a preview of further gains.

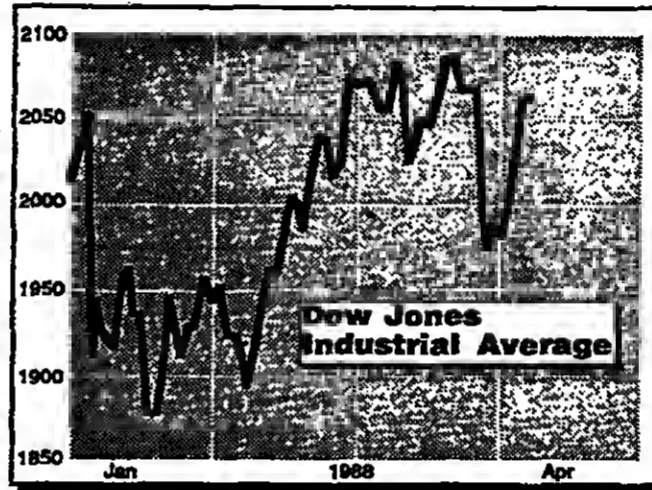
"We're in for a period of dollar and bond market stability which is all the stock market needs. The real direction is up," said Michael Metz, Oppenheimer's chief market strategist. The recent tightening of monetary policy by the Federal Reserve, prompted by the economy's strength, will not have any long-term effect on equities. The central bank "has committed itself to battling inflation so real interest rates will not rise," Metz added.

In contrast to the "buyers' strike" which afflicted the mar-

ket over recent months, investors are showing "a sense of urgency to buy." The Dow could hit 2,400 this quarter, although this would still leave it some 12 per cent below its all-time high of 2,722 set last August. In contrast, the Tokyo market broke into unexplored territory this week.

Siding on the sidelines has become increasingly uncomfortable for many investors as their cash has mounted up. Lazzio Birinyi, equity strategist for Salomon Brothers, calculates that \$6bn of stocks were taken out of the market in the first quarter through takeovers, leveraged buyouts and share buybacks. This represented net about \$61m of cash, a lot of which has yet to be reinvested in stocks.

Even better for the markets in terms of the build-up of buying pressure, equity is shrinking at a faster rate this year than last when \$58bn, or \$40bn net, was lost in the first quarter. Birinyi believes this change, which has lagged behind secondary and ter-



tiary stocks so far this year, will continue to underperform the market as a whole for a number of reasons. One is that foreign investors, who direct a disproportionately large chunk of their money into them, continue to hang back from the US market. The "halcyon days of indexing" are over, with investors less interested

now in passive investment techniques such as buying portfolios of stocks which match the leading indices. Moreover, investors are keen to exploit the "spring inefficiencies" created in the secondary tier by the smaller capitalisation and lower trading volumes of the stocks compared with the blue chips.

Metz sees hope for a revival of big industrial stocks such as International Business Machines and General Electric and some financial intermediaries. Takeovers will continue to help to drive the market with a lot of the action switching to the oil sector.

High Liedtke, the chairman of Pennzoil, is one oil man who has the money but no immediate urge to raid the market. This week, Pennzoil received \$3bn from Texaco to settle their four-year court fight over Getty Oil. Net of its lawyers' fees Pennzoil has \$2.5bn to spend, but said it will take its time to choose how

Meantime, the money is earning \$600,000 interest a day. The retail sector, still gasping for breath after the battle for Federated Department Stores won last weekend by Canadian-based Campeau, now faces a tussle over Woolworth. News that the Haft family of Washington has filed for permission to buy up to 15 per cent of it drove Woolworth stock up by some \$10 to \$55.

Wall Street is more than a little wary of the Haft. Six abortive takeover bids have earned them far more money than their modest retailing operations. Arbitrageurs have to jump immedi-

ately into a potential takeover stock, but there is a growing suspicion that the Haft do not actually want to own a big retailer; rather, they want to start a bidding war from which they can profit.

Monday 1988.60 - 07.66  
Tuesday 1987.51 - 18.81  
Wednesday 2081.67 - 64.16  
Thursday 2082.17 - 06.50

Roderick Oram

Hertfordshire

The Financial Times proposes to publish this survey on: 24th May 1988. For a full editorial synopsis and advertisement details, please contact: Rachel Fiddimore on 01-248 8000 ext 4152 or write to her at: Bracken House, 10 Cannon Street, London EC4P 4BY. FINANCIAL TIMES (LONDON'S BUSINESS NEWSPAPER)

Weekend Business

EXPANSION FUNDS REQUIRED. For unique and well established yacht charter operation based in Channel Islands, to fund substantial fleet expansion. Private investors sought to purchase 40-45 yachts to meet existing demand and confirmed bookings. Proven and fiscally efficient company. Personal/corporate schemes available. Details: Write Box F8047, Financial Times, 10 Cannon Street, London EC4P 4BY.

Continental Investor Seeks to Purchase London Properties in Good Location. Pls send your offer to: P.O. Box 6926, CH 8023 Zurich.

NICHE MARKET. Revolutionary idea, already set up. Requires further funding. This is the ideal opportunity for businessmen with £250,000+ available. Funds paid only by cheque for twelve months. Quick decision needed! Please apply Box H3291, Financial Times, 10 Cannon Street, London EC4P 4BY.

Businesses For Sale

PORTOBELLO LONDON'S BEST ANTIQUES MARKET (FREEHOLD). Principals only write to Box H3516, Financial Times, 10 Cannon Street, London EC4P 4BY.

Exceptional Acquisition Opportunity. Blue chip customer base with growth potential. Healthy company in catering equipment. Suitable £1M Buy and Invest. Ring 091 232 4188. Or write Box H3523, Financial Times, 10 Cannon Street, London EC4P 4BY.

YOUNG COMPANY. With a new product which has received wide national acceptance in the market place, requires several Equity Investors to accelerate development. Approved under the Business Expansion Scheme. Write Box H3328, Financial Times, 10 Cannon Street, London EC4P 4BY.

CAPITAL AVAILABLE. For investment in businesses seeking to expand or start-up. Funds available for many propositions. For full details contact: NCA, 25 Abchurch Lane, London EC4N 3DF. Tel: 07601 87888. A member of FINRA.

READERS ARE RECOMMENDED TO SEEK APPROPRIATE PROFESSIONAL ADVICE BEFORE ENTERING INTO COMMITMENTS.

Table with columns: Description, Rate, and other details. Includes Weekend FT Classified Advertisement Rates.

Businesses Wanted

P.L.C. Wishes to acquire companies actively trading in the field of Builders Merchants. Please reply Box H3326, Financial Times, 10 Cannon Street, London, EC4P 4BY.

Company Notices

ABN Bank. ALBANY BANK HOLDINGS N.V. Shareholders of Albany Bank Holdings N.V. are invited to attend the Annual General Meeting of the company on Friday, 29 April 1988 at 10.00 hours at Westminster 90-72, (entrance via Victoria St, corner Kent Street) London EC4A 3DF. The agenda of the meeting, the annual report 1987, the report of the Shareholders' Committee, a proposed resolution of the Shareholders' Committee and a proposed resolution of the Shareholders' Committee, as well as a copy of the official report of the meeting, have been deposited for inspection and are available at the bank mentioned below.

I.G. INDEX LTD, 9-11 GROSVENOR GARDENS, LONDON SW1W 0BD. Tel: 01-828 7233/5699. Reuters Code: IGIN, 1610. FT 30 Apr. 1413/1425 +5. FTSE 100 Apr. 1784/1796 +12. WALL STREET Apr. 2053/2067 n/c. Apr. 1419/1431 +5. Jun. 1779/1804 +2. Jun. 2057/2071 n/c. Prices taken at 5pm and change is from previous close at 9pm.

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FLEMING MONTAGU STANLEY HAS A NAME FOR PRIVATE INVESTMENT. On April 1st 1988 Montagu Loeb Stanley became Fleming Montagu Stanley. This change reflects its new role as the private client portfolio management arm of Robert Fleming Asset Management. Fleming Montagu Stanley will have over a century of investment expertise behind it and will benefit from being part of Britain's largest investment bank, currently with over £24 billion under management. But besides offering private clients portfolio management, we will also be able to advise on a broad range of financial affairs including retirement provision, inheritance tax planning, estate planning and funding for private education. If you add to this Fleming's worldwide resource, more important than ever in today's changing markets, then you'll see why Fleming Montagu Stanley already has a name for private investment. For more details of how Fleming Montagu Stanley can help you, please contact: Richard Mosley, Fleming Montagu Stanley, 31 Sun Street, LONDON EC2M 2QP. Telephone 01-377 9242. FLEMING MONTAGU STANLEY. A member of the International Stock Exchange.

FINANCE & THE FAMILY



Last call on gas shares

FROM NEXT Monday, trading in British Gas shares will incorporate the final instalment of 40p each due after the December 1986 privatisation issue.

This indicates a fully-paid price of nearly 170p a share compared with the original offer price of 138p, which had to be paid to three instalments.

Shareholders are reminded that the final call is due not later than 5 pm on Tuesday, April 12. If the payment is not made, they could lose their shares and get no more than their 99p investment back.

Any shareholders who do not have their payment notice should call the British Gas share enquiry line immediately on 0272-873 873. The line is open from 8 am to 8 pm, seven days a week.

Profits are unlocked

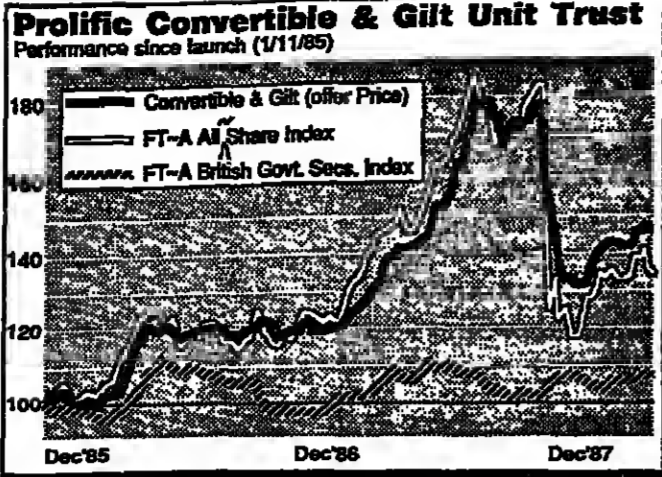
LIFE ASSURANCE companies received a boost from Mr Nigel Lawson, the Chancellor, when he announced in his Budget statement that Capital Gains Tax liability was being re-based to 1982.

This move has unlocked profits worth several millions of pounds which life companies had set aside to meet the CGT liabilities for equity holdings acquired before 1982.

The question now arises as to whom these profits belong and how and when they should be distributed. For mutual life companies, there is no question of ownership. Profits belong to the holders of policy policies.

But most life companies have already declared their bonus rates for 1987. The Chancellor's announcement came too late to do anything this time round.

But that did not apply to the Colchester-based home service insurance company, Royal London Mutual. Like most home service life companies, Royal London declares its bonus rates applicable from April 1 around this time of the year.



Fund to attract long-term players

THE POST-CRASH revival in alternatives to the equity market continues unabated this week with the launch by Prolific Unit Trust Managers of its new Preference and Fixed Interest Fund.

The new fund will have 65 per cent to 70 per cent of its money in preference shares, 15 per cent to 20 per cent in other fixed interest stocks and 10 per cent to 20 per cent in convertibles.

Preference shares, says Mr Flimpton, usually out-earn gilts by a half to a percentage point. The estimated gross starting yield on the new fund is 8.4 per cent, netting down to 6.3 per cent for a 25 per cent taxpayer and 5.0 per cent at 40 per cent against a projected inflation rate of 4 per cent.

Prolific has been a top performer in the past decade. Since last October, it has demonstrated its abilities in alternative markets. The Convertible and Gift Unit Trust, which it launched in November 1985 (see chart), has been relatively strong.

Prolific is an offshoot of Provincial Insurance, although it is currently going through a demerger process.

Mr John Flimpton, its fund manager, says the new fund was prompted by the equity crash and the way it steered investors thinking towards lower-risk securities. It was also prompted by Budget tax cuts, which mean that "for the first time in living memory" all investors will get a real yield from this type of vehicle.

So Royal London has taken the opportunity to pass on the benefit of this windfall to policyholders in the form of higher terminal bonus payments.

Policies in the Ordinary branch which have been in force for 10 years receive a 1.4 per cent increase in terminal bonus rates. Without this windfall there would not have been an increase. Policies in force for 25 years at the time of a claim get an increase of nearly 4.5 per cent, making a total rise of 7.5 per cent.

Fiona Thompson says that even the front-runners are managing to make losses  
The game is going to become harder

"EVEN THE pros at the Pru can get it wrong," says Ted Williams, somewhat ruefully. "Quite simply, the game is going to get harder."

But take heart Pru pros, at least you are not alone. The game is the Great Investment Race, and in the past month all but two of the competitors have lost money. The top four contestants alone have lopped a joint total of \$25,356 off their portfolios.

The nine teams of fund managers have now been battling the bear market and each other for 14 weeks, having each begun their year-long bid to make pots of money with a starting stake of \$50,000. All the money raised will be donated to charity by the race organiser Charity Projects.

Despite dropping 17,580, the Prudential is still in first place with \$108,050. "We lost about \$2,000 in futures," said Williams. "The rest of the value of our portfolio of stocks has gone down. But our losses were not as bad as they could have been. We made a \$2,000 profit on Consolidated Gold call options."

The Prudential team's policy is to stick out a core portfolio of companies with good long-term growth and supplement this with "opportunities in the futures market." Just one new stock was added this month. It was General Oriental Investments, controlled by Sir James Goldsmith.

"The group is primarily in timber, and it owns 1,88m acres of forest land," says Williams. "We bought 5,000 shares at \$90 each, but we believe the real value is in excess of \$6."

City stockbroker Casenove retains the number two slot, although it has slipped by \$4,000.

THIS MORNING you may call in at your local building society branch, discuss your pension arrangements with the local expert and pay your monthly contribution into a pensions savings account.

Two years ago, such an idea would have been treated with ridicule. This week Abbey National, Britain's second largest building society, revealed its plans to enter the personal pensions market on July 1.

Until now, life companies have had the monopoly in providing pensions to individuals. But they have lost their privileged status under the pensions environment brought about by the 1986 Social Security Act, which came into operation on Wednesday.

Now banks, building societies and unit trusts, as well as life companies, can offer personal pensions.

Abbey National, in keeping with its reputation for innovation, became the first society to announce publicly that it would be offering personal pensions.

Employees and the self-employed will be offered the choice of two contracts. First, there is Abbey National's own Retirement Investment Account.



THE GREAT INVESTMENT RACE

back into double figures at \$99,561. "Our loss is the result of the very poor market," says Casenove's Edward Cottrell. "We have taken a fairly geared position on investments, and when the market falls off we are hit on gearing. However, we did quite well on Falcon warrants, making a profit of \$8,000," adds Cottrell. "We also bought and sold some FTSE futures on a small scale, but we did not take a serious position."

Japanese hamburgers fell a bit flat and hit the Tokyo securities house Nomura. It held onto its third position but dropped \$7,122 to \$93,907, according to the WM Company, the Edinburgh performance measurement consultant which is evaluating race proceedings.

"We actually sold our 1,000 shares in Mossfood Services, the Japanese hamburger chain, for a profit," says Andrew Jacobs for Nomura. "But we sold at \$5,000 less than the shares were worth at the last evaluation. Mossfood had a very good run. It just fell off a bit."

Nomura invests purely in Japan and that market is very good, says Jacobs. "But stock-picking over the last few weeks has been a bit difficult. These things go in winds and we've had a bad wind. It's the blorneytimes."

Henderson, the independent fund management group which is again in fourth place, dropped \$6,658 to \$84,335. "We lost \$3,000 on a 1600 March FTSE put option," says Claire Nowak. "It was the right idea but bad timing. The rest is from our portfolio going down in value."

"We have actually done very little as we didn't feel confident of taking a big position over the budget period."

Employees and the self-employed will need counselling to decide how much should be set aside for pensions, before deciding on where to invest the money.

Abbey National is running an in-depth staff training programme as well as setting up the necessary administration systems, backed not by Friends' Provident and its own actuarial consultants, Tillinghast.

The scene is being set ahead of the July start date with the issue of three booklets. One sets out the background to the new pensions environment, one deals with the pension requirements of employees and one covers those of the self-employed.

For more details, telephone 0682-37666 during office hours.

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The Henderson team is not unduly worried about the stake drop. "It's like Alice in Wonderland to have everyone going up for 12 months," says Nowak. "In the real world things go down too."

In fifth place this month is Capital House, the investment management arm of the Royal Bank of Scotland. Capital has climbed one position from sixth place. More importantly, it is one of the two teams which made money, increasing its stake by \$2,070 to \$84,119.

"It's been a very unexciting month really," says David Kidd. "The market has been difficult, and we haven't traded anything like as actively as in previous months. Our best single transaction was a \$1,000 profit on the sale of our Vosper Thornycroft shares."

"Ideally we should have had more money in Japan. But we've discovered a couple of special situations. Enterprise Oil is one which we hope will come good quickly. If they do, we will probably add to our Japanese holdings."

Capital's Australian gold stocks are still showing losses. But Kidd adds: "We're clawing our way back - they are 10 per cent up on last month."

Daiwa, the Japanese securities house, has slipped one position to sixth place. Its stake marginally down at \$62,537. Daiwa still has just three Japanese equity warrants in its portfolio, having sold Sumitomo Fire and Marine and having bought Yamamura Class.

Enskilda Securities is not far behind at \$62,539, having moved up one into seventh position and having increased its stake by \$5,725. "Two things in particular went well for us," says Diana Barran. "We made \$3,000 profit on two put options in Holland, and \$2,000 on a couple of new issues."

Enskilda, the investment banking arm of Skandinaviska Enskilda, Scandinavia's biggest bank, has continued trading in a mixture of shares and options, especially in Sweden, Holland and France. "But the market remains so incredibly volatile that it is difficult to work out a long-term policy," says Barran.

Enskilda's rise has pushed Hoare Govett, part of the Californian bank Security Pacific, down one into eighth place. Hoare has not traded in the past month, and its stake has slipped to \$58,717, as the value of its holdings has declined.

UK portfolio because we think these stocks will perform well," says Tony Lowrie. "But if Singapore and Hong Kong take off with a vengeance we will get involved."

Bell Lawrie, the Edinburgh stockbroker, is unchanged in ninth place, having dropped below the starting stake to \$53,401.

GREAT INVESTMENT RACE HOW THEY STAND			
1	(1)	Prudential	£108,050 (£115,629)
2	(2)	Casenove	£99,561 (£103,577)
3	(3)	Nomura	£93,907 (£101,029)
4	(4)	Henderson	£84,335 (£70,968)
5	(5)	Capital House	£84,119 (£82,048)
6	(6)	Daiwa	£82,537 (£83,085)
7	(8)	Enskilda	£82,539 (£86,864)
8	(7)	Hoare Govett	£58,717 (£59,265)
9	(9)	Bell Lawrie	£53,401 (£55,156)

Last month's position in brackets. Source: WM Company

Eric Short examines building society innovations  
Abbey joins pensions battle

It is a deposit-based contract operating in the same manner as an ordinary savings account, but with interest added gross. The rate, which will be announced on July 1, could be around 9 per cent on current interest patterns.

There is also a unit-linked Personal Pension, offering three choices. Customers can opt for unit funds, unitised with profits, and cash funds. Although it will have the Abbey National brand,

it will be a Friends' Provident Life Office contract.

Under the financial services legislation, Abbey National has elected to be a representative of Friends' Provident, and so can market only the investment products of that company.

However, investing in pension contracts is much more complex than simply paying some money every month into an ordinary savings account.

Employees and the self-employed will need counselling to decide how much should be set aside for pensions, before deciding on where to invest the money.

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Stock market Crash interrupts long-term growth

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In common with other international trusts, Scottish Eastern's portfolio was adversely affected by the stock market Crash in October. Net asset value decreased by 11.8% over the year, the first decline in eight years.

Despite this, record earnings per share were achieved and the directors recommend a final dividend of 1.50p making 2.35p for the year, a 6.8% increase.

The Trust has suffered an interruption in its long-term growth record, but the Chairman Norman Lessels says: "Scottish Eastern owns a portfolio of carefully selected investments in financially strong companies which are well placed to prosper in these uncertain economic conditions. The individual investor benefits from the Trust's professional management which is available at a very modest cost. The long-term record of Scottish Eastern and its managers is very impressive."

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Clive Wolman says there are gaps as well as safeguards in new rules affecting investors

# Share-buyers must continue to beware

FROM NEXT MONTH, individual shareholders will have to do a lot more consenting in response to a lot more disclosing from their stockbrokers. Confronted with a pile of complex legal documents to fill in and sign, they may start to wonder how the new framework of investor protection is going to help them.

But on modestly optimistic assumptions, when the bulk of the Financial Services Act comes into force on April 23, investors should find that their risks of suffering from sharp practice are greatly reduced. They should also find that they are receiving a more efficient and suitable service. If they have cause for complaint, many more channels for redress will be open to them.

For most stock market investors, the first indication of a new regulatory system will be a lengthy "customer agreement letter," full of potentially intrusive questions from their stockbrokers, that will arrive in May. Unless the customer signs his consent to the services on offer and returns the document by October, his stockbroker may have to stop acting for him.

As well as complaining bitterly about this requirement, many brokers have argued that the letter will degenerate into an impenetrable legal document full of exclusion clauses and obscure disclosure requirements, designed to protect the broker

from legal action. The customer would end up baffled and no better off.

In recent weeks, however, most leading firms have accepted that too legalistic a document may lose them clients. The Securities Association (TSA), the stockbrokers' self-regulating organisation under the Act, has also accepted it. A new emphasis has been placed in the draft documents on intelligibility, if not on brevity.

Some firms such as Barclays share have already been using a standard and fairly non-legalistic customer agreement letter for several months in accordance with the Act. Barclays is the private investor arm of Barclays Bank which offers both an advisory and a cut-price execution-only service.

According to Gavin Oldham, chief executive, customers have signed the letters at home or in their Barclays branches with few objections. This may indicate that most people pay little attention to such letters. But Oldham has also taken the opportunity to find out more background details about his customers in line with the "know-your-customer" rule laid down by TSA.

All investors, except those dealing with stockbrokers on an execution-only basis, will be receiving similar questionnaires. They will cover such issues as dependents, tax position, size and range of assets, investment strategy or how much risk they are

prepared to take, and their employment.

Some customers may refuse to answer such questions, and that could create compliance problems for the stockbroker. Robin Woodhead, of the National Investment Group, the largest firm of provincial stockbrokers, believes that customers' inhibitions will be gradually overcome. "We see the requirements of the Act, instead of being a disadvantage, as a valuable way of being able to offer the client a better service by getting to know his financial situation more thoroughly," he says.

"Over time, traditional stockbrokers have given less and less asset management advice but this will allow them to regain their original roles."

The two other key rules governing relations between stockbrokers and clients are those of best advice and best execution. Best advice means recommending suitable securities, and best execution means obtaining the most favourable prices. Under the old Stock Exchange rules, most stockbroking firms complied with the principles for at least 99 per cent of the time. Under the new regime they will have to be even more careful not to step over the boundary.

"The rules will discourage short cuts and people's tendency to give themselves the benefit of the doubt," said one member of TSA's board.

One of the more dubious but widespread practices to be outlawed is that of reciprocal arrangements. Stockbrokers invest their clients' money in the unit-trusts of a fund management company in return for the standard sales commission and also dealing commissions for transaction bargains for the fund managers. Such arrangements may continue, despite the new rules, if the stockbroker discloses them in a form which he hopes will not alert his clients to the true costs.

The philosophical basis of the new framework, that most practices can be made acceptable by full disclosure, creates its own dangers. Beware of the share salesman who meets the requirement of disclosing his own firm's position in a stock he is recommending by claiming that the firm's own stance proves that the stock must be worth buying.

Another sharp practice, which has been spreading amongst brokers, is that of accepting "soft" dollar payments, which means kickbacks. This applies particularly when a broker deals in foreign shares for a client and pays the foreign broker, who transacts the deal, a second commission out of his client's money.

In return, the broker is rewarded with everything from Reuters screens to free trips to Tokyo or Hong Kong with a full entertainment programme laid on. It is doubtful whether the final, watered-down version of

the TSA rules on "softing" will have much effect.

By contrast, the rules will mean a much stricter regime for the non-Stock Exchange firms, mainly licensed dealers in securities specialising in unlisted "over-the-counter" stocks. Their scope for applying aggressive telephone selling techniques to persuade investors to buy dubious stocks of low marketability will be drastically diminished by tougher rules and much stronger enforcement operations.

The greatest benefit of the new rules will probably be felt only when something goes wrong. If a securities firm defaults, investors will be entitled to full compensation (including interest foregone) up to £30,000, and 90 per cent compensation on the next £20,000. This is of particular importance for investors dealing with firms which have never been covered by the Stock Exchange's own compensation fund.

In addition the risk of default will be reduced by two factors. Those will be the much tighter and more sophisticated rules for minimum capital, and the requirements, due to come into force in October, that stockbrokers must segregate their clients' money from their own. The segregation rules will also ensure that investors receive interest on money held for their account by their stockbrokers.

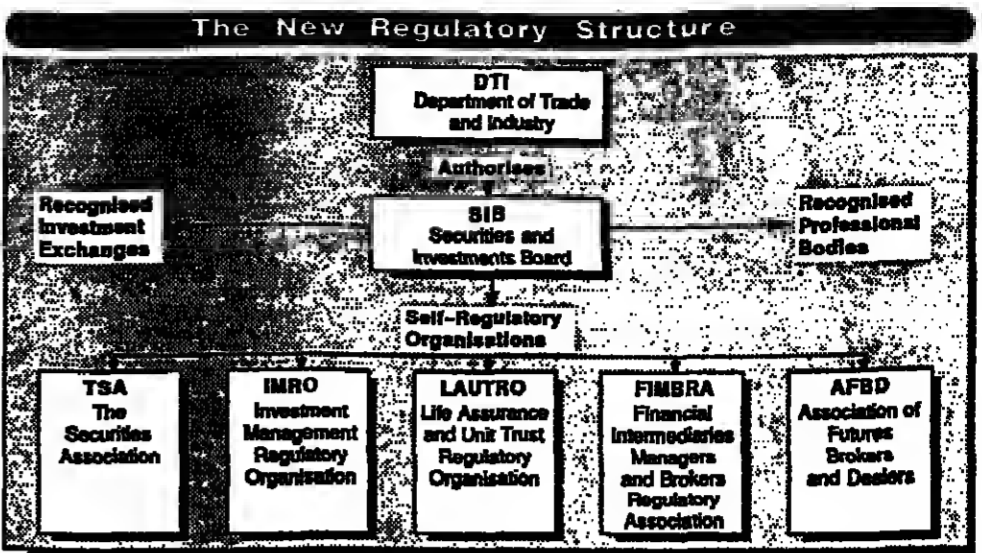
In less dramatic situations, the new regime offers many more opportunities of redress for the private investor. At present, complaints against stockbrokers are handled by the Stock Exchange which is supposed to investigate and may require member firms to make restitution. But with the upsurge of private client business over the last three years and the volume of complaints, the efficiency of the Exchange's complaints handling has deteriorated.

According to one senior employee who recently left the Exchange: "The service has really gone down the drain. They have not been properly following up every letter. They have had too many other things to do."

Under the new regime, if a client fails to obtain satisfaction as a result of an internal TSA investigation, he can make use of an independent arbitration system under TSA's auspices.

Finally, section 62 of the Act gives investors the right to claim damages in the courts for any losses suffered as a result of a breach of the rulebook of a self-regulating organisation. And under section 61 the Securities and Investments Board, the overseer of the new regulatory system (see diagram), can finance a "class action" through the courts on any individual disputes which raise wider issues.

Will the small investor end up having to pick up the costs of complying with the new regime, through higher charges, as the more disgruntled stockbrokers are now claiming? The additional costs arise from the TSA and SIB membership fees, the computer systems which have to be installed to comply with the new financial regulations, the additional record-keeping and the retraining of staff. Some of these



## Figures for trusts

William Cochrane says gold and nickel are the keys to recent lively performances

April 1. They highlight the March performance of the Australian sector which had an average return of 9.7 per cent. SIM Australian, with a rise of 17.5 per cent, headed seven others which had gains in double figures. Gold and nickel prices are the keys. Nickel has almost quadrupled since January 1 as an increase in demand from steel manufacturers world-wide has coincided with a bar on shipments from the Dominican Republic.

Opal reports that optimism in Australian metals has spilled over into the general share market, with solid rises in the media and advertising sectors. But it also notes that the one-year return from Australian funds still shows a hefty loss of 39.3 per cent, offer to bid.

THE OPAL Group, with the Association of Investment Trust Companies, will launch a new investment trust statistics service next month. It will list price performance over six months, a year, and three, five and seven years. This will complement four other Opal statistics reports available every month: unit trusts, unit-linked life assurance funds, unit-linked individual pension funds and offshore funds. Opal has also issued its unit trust performance figures to

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## Units may lose lure

INSIDERS ARE SAYING that charges throughout the unit trust industry are destined to rise. Nobody wants to be first to bring in an increase, especially after the trouble which the Citicorp exercise in trail-blazing has attracted.

There are four main factors affecting profitability for unit trusts. First, there is the effect of the October crash on annual management charges, which are the staple annual income of a unit trust group. Second and third, "rounding" and "box management" both will be curtailed or removed by the new unit trust regulations. Finally, the "cost of compliance" with the new regulations will mean expensive new systems, training, administrative changes and professional fees.

The loss of annual management fees, reflecting the drop in stock market values of funds under management, has affected groups across the board; but many feel that the industry should have made reserves in the good years to cover the shortfall in the bad. In itself, therefore, the crash should not force a rise in charges on a well-managed group of reasonable size.

Rounding and box management are different. All groups will say that some of their competitors depend to a large degree on box profits or on rounding - but no group admits to being in such a position itself.

Of the two, rounding is probably the most shamelessly misused. It was allowed originally to avoid awkward fractions when calculating unit prices. Rounding is an amount added into the unit offer price calculation or subtracted from the bid price calculation. It must not exceed 1.25p or 1 per cent, whichever is the smaller.

Many groups simply take the maximum permitted amount, whether or not it is strictly necessary. In doing so, they effectively add 1 per cent or more to the initial charge.

Seen in this light, the charges announced by Citicorp do not look out of line. It will not be employing the rounding manoeuvre and describes its move to higher charges as an attempt simply to put all costs "up front."

Box management is the running of the management group of its own book of units, stocked from unit-holder repurchases. The managers take a view on their own unit prices and may make a turn if the price moves in their favour before box units are sold on.

Groups vary in the degree to which they use rounding and box management. At the virtuous end of the scale, Mercantile & General's managers say they never take rounding, except where it is essential - and even then, they pay it back into the fund. They also deny ever having been "creative" in the use of box management.

As far as the new regulations are concerned they point out that, as a large group, they will be relatively little affected since the cost of updating systems is not necessarily in proportion to size. And they cannot see charges going above 5 per cent initial and 1 per cent annual.

Ian Sampson at N.M. Schroder is more pessimistic. He expects to see a charge of 1.55 per cent as the norm, with 1.5 per cent annually on specialist funds and initial charges up to 5.25 per cent or 3.75 per cent, although he does not feel that 6 per cent is unreasonable.

Could charges go beyond this, say to 2 and 7 per cent annually? Sampson is doubtful: "My gut feeling is that 6 per cent is a barrier." He sees the costs of the new regulations as the main cause of price increases, although he admits that "a lot of us did make money on rounding." Given the loss of rounding, "anything up to 6 per cent will merely be maintaining the status quo."

Unit trust charges have not been a very sensitive issue in the recent past, but this could change. Unit-holders may start to change between groups on the basis of changing levels, and higher charges generally could reduce the attractiveness of unit trust investment as a whole compared with investment trusts or bonds.

## Window on the world's markets

MARKET INDICES - be they for the equity market or for specific sectors of it, for gilt-edged securities, or for corporate fixed interest issues - all are attempts to answer the question: "What did the market do yesterday?"

Unfortunately, this question is not always easy to answer satisfactorily. There will never be a day when every share in the stock market moves in the same direction. Even in the bond markets, specific stocks may respond to approaching redemption dates as well as to the market trend.

To present an overall picture of market movements, the FT publishes a number of indices. Some aim simply to give readers an overall image of market trends on the previous day. Others are intended to provide analysts with a more detailed breakdown on trends in particular sectors.

The best known is the Financial Times Ordinary share index, called colloquially "the FT index." Its closing level appears in the Markets box at the bottom of columns one and two on the front page of each day's paper - except for Monday. The close of the index also is printed in the Lex column and in the stock indices table on the London Stock Exchange page.

The FT index is calculated electronically on a "real-time" basis from the stock market's opening at 9 am. The market professional can see its latest level throughout the day on the Stock Exchange Automated Quotations (Seq) network, shown on the trading screens.

For FT readers, the hourly readings on the Ordinary index for the previous session are published in the stock indices table printed with the London stock market report.

Old City hands often call it "the 30-share index," referring to the number of its constituents. Originally, it was an index solely of industrial stocks. Now, the energy and banking sectors are included and the privatization issues are represented by British Telecom.

The attractions of the Ordinary index are that it is easy to compile, being calculated on a simple geometric and unweighted construction. The disadvantage is that it can be distorted sharply by sudden movements in one of its 30 constituents. The City held its breath early in the 1970s when the old Rolle-Boyes group, then a major constituent of the index, seemed to be taking it towards zero.

The FT also publishes daily, in the stock indices table, a specialist gold mines index based on 24 South African mines, plus a government bond index and an index of fixed-interest issues.

Since the Big Bang projected London market trading into the electronic era, attention has begun to shift towards the FT-SE 100 index, or "Footsie" as it was quickly named by market traders.

Footsie, by virtue of its larger

## BRIDGE

LAST YEAR, the Lederer Memorial Trophy was staged at the Young Chelsea Club in west London. It was sponsored by the Y.C.C. committee and this sponsorship has been renewed. Enlarged and refurbished, the club is now an attractive venue, not only for important finals but also for heads of events like the Gold Cup.

My first hand from the Lederer was played by David Carlisle, and was awarded the prize for being the one played best.

N		E
♠ 3		♠ 7 5 3 2
♥ 5 3		♥ 8 6 4 2
♦ 7 5 3		♦ 10 9 8 7 6 4 2
♣ A J 8 7 3 2		♣ K Q 9 7 4 2

With both sides vulnerable, West dealt and opened with one spade. East raised to four spades and South's five diamonds concluded the auction.

West started with the queen of spades. Winning in hand, South led the queen of diamonds, hoping to steal a trick, but West shrewdly took his ace at once and switched to three of hearts.

The declarer took with his ace, drew the last trump and cashed king of spades and ace of clubs.

South dealt at a love score and bid one no-trump, showing 12-14 points. North said two diamonds, which was a transfer bid. South obediently robed two hearts and North said two spades, but South decided to say two no-trumps which became the final contract.

West led the two of clubs, dummy's king was played, the ace won and East played back the 10. Winning with his queen, South led a spade and finessed dummy's nine.

East won with the knave and returned a club, enabling his partner to make knave and nine. West exited with the three of diamonds, covered by knave, king, and ace.

The declarer now ran four spade tricks on which West discarded four of hearts and queen of diamonds. Without this vital unblocking play, West would have been thrown in with the diamond queen and forced to lead from his king of hearts, so allowing dummy's queen to make.

As it was, East won the diamond lead with the 10 and a heart switch put the declarer one down. In the other room, North played in two spades and made nine tricks.

**E.P.C. COTTER**

## Terry Byland continues his series of extracts from his new book explaining how the FT approaches finance

As stock market trading has taken on a global dimension, the FT has responded by compiling and publishing its FT-Actuaries world indices. This venture - undertaken jointly with Goldman Sachs, the US securities house, Wood Mackenzie of London, and with the Institute of Actuaries and the Faculty of Actuaries - tracks the performance of around 2,400 major companies domiciled in 23 countries.

The paper also publishes daily the important market indices from the US, Japan, and the other major world financial centres - providing readers with the global background against which London markets must now be judged.

"Understanding Finance with the Financial Times," by Terry Byland, is published by Harrop at £5.95. It is available from bookshops or from FT Business Information, 7th floor, 50-56 Broadway, London SW1 0BB.

# 11.7%\*

## A YEAR

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\*Calculated as at 31st April 1988 - Offer price 21.3 p.

†The Fund is based in Jersey and is listed on The Stock Exchange, London.

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Pacific Assets	Singapore Market	Hong Kong Market
100	80	70

\* Figures Starting Adjusted Year to 31/03/88

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9th April, 1988

FINANCE & THE FAMILY

# Early profits from pensions

Eric Short reports on potential rich pickings for those who leave company schemes early

A LITTLE publicised aspect of the Budget was the Chancellor's clamp-down on the considerable benefits obtained by employees who leave company pension schemes early. But, in spite of the Budget, there are still rich pickings, especially as employees will have much more flexibility to opt in and out of pension schemes in the future.

If you change jobs before two years have elapsed (it used to be before five years) you simply get back the contributions you paid into the company pension scheme, with no interest credit. . . on the face of it a poor deal. . .

received has to be paid over to the Department of Health and Social Security and in addition a tax deduction is made from the balance. Until now the tax deduction has been calculated at a flat rate of 10 per cent.

Pre-Budget, under the old system, this meant that an employee earning £800 a month gross (£9,600 a year) and paying 5 per cent of salary into a contracted-out pension scheme would have made contributions of £240 a year, but on leaving after 12 months would receive back £297.58.

This represents a return of 122 per cent per annum - not bad for a guaranteed risk-free investment.

However, the Inland Revenue, mindful of the amount of tax relief paid to the pension schemes, have at last woken up to this misuse of tax relief.

Although the Chancellor made no mention in his Budget speech on the subject, simply referring to minor pension changes, the accompanying Inland Revenue Notice stated that from April 6, 1988, the tax charge on pension scheme contribution refunds is being doubled to 20 per cent, bringing it more into line with the new basic tax rate of 25 per cent.

However, even with this tax increase, and the reduction in general tax rates, a handsome profit is still made by the early leaver from a contracted-out

Employee earning £800 a month gross, contributing 5% of salary to the company's contracted-out pension scheme and leaves after a year

Old System	Refund	£
Monthly Contribution		40.00
less tax at 27%		10.80
		29.20
less National Insurance contributions saved		12.45
Net monthly cost		16.75
Total cost for 12 months		201.00
Representing a guaranteed return of 122 per cent over the year.		
New System	Refund	£
Monthly Contribution		40.00
less tax at 25%		10.00
		30.00
less National Insurance contributions saved		12.45
Net monthly cost		17.55
Total cost for 12 months		210.60
Representing a guaranteed return of 80 per cent over the year.		

pension scheme. The net contributions go up slightly to £210 a year while the refunds are cut to £264.51. Nevertheless, this still represents an investment return of 60 per cent for the year.

For longer periods than 12 months the return is cut dramatically, though from next month refunds can only be taken if the employee has less than two years' membership of the pension scheme.

If it is not known how many employees change jobs solely to get the refund of their contributions from the pension scheme, Pension fund managers will admit that some married women in routine jobs have changed employment to similar work elsewhere in order to get a cash sum. Despite the liberation moves, many married women still only look to their husbands to provide the pension, but it is doubtful whether these women have realised just how profitable an investment they have made.

Now, under the new pensions environment, employees do not have to leave the company in order to get the refund. They can simply exercise their right to cease membership of the scheme and get the refund.

# Option schemes still win approval

David Cohen on Budget changes to Inland Revenue-approved plans

THE MAJOR attraction of an Inland Revenue-approved share option scheme has always been the ability to pay capital gains, rather than income, tax on option profits. Now the Chancellor has announced that (with effect from last Wednesday) capital gains are to be taxed as if they are income, this attraction is reduced considerably. However, reports of the imminent death of approved schemes are probably an exaggeration.

Options granted outside an approved scheme are subject to income tax. The change affects what the options are exercisable. This is payable by the employee's accrued profit at that date, irrespective of whether he sells the shares or holds on to them.

Those taking part in an approved scheme provided they exercise their option within certain permitted periods - will avoid this charge. Their only liability will be for capital gains tax when ultimately they sell the shares.



The ability to defer tax until disposal of shares on significant approved option advantage which will be unaffected by Chancellor Nigel Lawson's proposals. Clearly, as far as individual employees are concerned, tax deferral is of value only to those who intend to remain as long-term shareholders, rather than cashing in their option at the first opportunity.

From a corporate perspective, however, there is likely to be little enthusiasm for a scheme which positively discourages option-holders from taking the longer view.

Tying apart the continuing availability of CGT exemptions means that capital gains will still be taxed more lightly than income, even though the rates of tax will be the same.

In particular, each taxpayer has an annual CGT exemption - £5,000 for the coming tax year - and there is nothing to stop an employee from spreading his share sales over a number of years to get the benefit of multiple exemptions.

Consider the case of employees A and B who, in March 1988, are granted options to acquire 10,000 shares each at £1 each. The only

difference between the options is that A's is under an approved scheme whereas B's is not. The options are exercised in March 1991, when the share value has risen to £3.

Since B's option is non-approved, his exercise will trigger an immediate income tax charge on the £20,000 profit. Assuming an unchanged top income tax rate of 40 per cent, B will be landed with an £8,000 bill.

Meanwhile, A, having emerged unscathed from the exercise, is disposing of his shares methodically in the most tax-effective way. First, he gives £100 shares to his wife. Then, before April 6 1991, he and his wife each sell 2,500. The resulting £5,000 gains are covered by their annual CGT exemptions.

On April 6 1991, A and his wife sell the remaining shares and the further £5,000 gains are sheltered by their fresh exemptions for the new tax year.

The overall outcome is that B is left with a net gain of only £12,000, whereas A, simply as a consequence of belonging to an approved scheme, has been able to hold on to the full £20,000.

In spite of these residual advantages, however, there is no denying that approved schemes have lost much of their lustre. Companies which find the Revenue's approval conditions commercially inconvenient or excessively restrictive may now have few qualms about opting for a non-approved structure.

On the other hand, these latest developments may throw some limelight to the all-employee approved schemes which have been completely overshadowed since the introduction of executive schemes in 1984.

There are two varieties of these: profit sharing schemes under the 1978 Finance Act, and savings-related option plans under the 1980 Act. Participants in a profit-sharing scheme can give annual hand-outs of shares worth up to 10 per cent of salary with a maximum of £5,000 a year.

Provided these shares stay registered in the names of the scheme trustees for at least five years, their initial value is tax-free in the employee's hands. Any increase in value will be subject to CGT - after taking account of indexation and the annual exemption.

Hence, an employee with an annual salary of £50,000 can accumulate £25,000 worth of shares over a five-year period under a profit-sharing scheme without a penny of tax to pay - a uniquely tax-effective incentive.

The tax treatment of savings-related options is very similar to that of executive options. However, in view of the low participation limits - no employee can acquire shares with an initial value of more than £2,000 - it will be unusual for such a scheme to produce gains which are not mopped up by the £5,000 CGT exemption.

Whatever the competing attractions of approved and non-approved schemes, the blurring of the distinction between income tax and capital gains tax might cause some companies to ask themselves if they really need a share scheme at all.

A "phantom" option scheme - giving participants the same financial benefit as a share scheme, but not the right to become shareholders - could now be only marginally more expensive for employees and would give the company the corporation tax deduction it can never obtain under a real share scheme.

David Cohen is a partner in the London legal firm of Faisner and Co.

# MORGAN GRENFELL

## UK EQUITY INCOME TRUST

The UK Equity Income sector was the top performing unit trust sector in 1987, with an average increase of 14.0%.

And now, for the first time, investors can take advantage of this sector through the asset management skills of one of Britain's leading Merchant Banks with the launch of Morgan Grenfell's UK Equity Income Trust.

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The Morgan Grenfell UK Equity Income Trust will enable you to return to fundamentals. It is ideally placed to fulfil its objective of a high and rising income, together with good growth prospects.

Estimated Initial Gross Yield is 5.25%. Remember the price of units, and the income from them, may go down as well as up.

\*Source: Financial Services, figures relate to the period 1st Jan. 1987 - 31st Jan. 1988. Offer to 10th April 1988. Net Income rebalanced.

**FIXED PRICE OFFER CLOSING 11th APRIL**

**Invest Now**  
This is a new fund. It represents a unique investment opportunity. The minimum investment is just £1,000 and, with a Fixed Price Offer of 100p per unit held until 11th April 1988, now is the time to invest.

To do so, fill in the Application Form and return it with your cheque.

**General Information**  
Dealing Units may be bought or sold back to the Managers any working day between 9.00am and 5.30pm by instruction in writing or by calling 05-226 8826. A contract note will be sent within 24 hours. A certificate will be despatched 10 days after receipt of cleared funds and sale proceeds within 7 days from receipt of renounced certificates. Prices and yields appear daily in the Financial Times, The Times and The Daily Telegraph. Units will be priced daily. Remuneration is paid to qualified intermediaries. Rates are available on request.  
Charges: Prices and yields are determined using the Department of Trade and Industry (D.T.I.) formula. An initial charge of 5.25% is included in the offer price, the annual charge is 1.25% + VAT. The Trust Deed permits a maximum annual charge of 2% + VAT subject to 3 months' notice.  
Income: The Estimated Initial Gross Yield is 5.25%. Accumulation and Distribution Units are available. For Accumulation Units the net income is accumulated for Distribution Units it is distributed. In both cases this takes place on 30th November and 31st May each year, in respect of the periods ending 2 months earlier starting on 30th November 1988. Tax is deducted at the prevailing basic rate before distribution or accumulation and a tax voucher is sent to investors.  
Traded Options: The Trust Deed contains provision for the Managers to write Traded Options subject to the limitations laid down by the D.T.I. Trustee: General Accident Executor and Trustee Co. Ltd., One House, 42/47 Minorca, London EC3N 1BX.

**UNIQUE LAUNCH OFFER** - During the 3 week Fixed Price Offer of 100p per unit until Monday, 11th April 1988, and while stocks last, investors purchasing units worth £5,000 or more in UK Equity Income Trust will receive a special Morgan Grenfell Personal Portfolio Folder of the highest quality.

**RING 01-826 0826 or complete the coupon.**

For: Morgan Grenfell Unit Trust Managers Ltd, 46 New Broad Street, London EC2M 1TT.

I/We wish to purchase units in the Morgan Grenfell UK Equity Income Trust at the price ruling on receipt of my/our application (initial offer 100p per unit fixed until 11th April 1988).

I/We enclose a cheque for £ [ ] (minimum £1,000) payable to Morgan Grenfell Unit Trust Managers Ltd.

I am/We are over 18 years of age.

Tick box for Distribution Units  or Accumulation Units

Registration details: A20C/PT204

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Forenames in full: \_\_\_\_\_

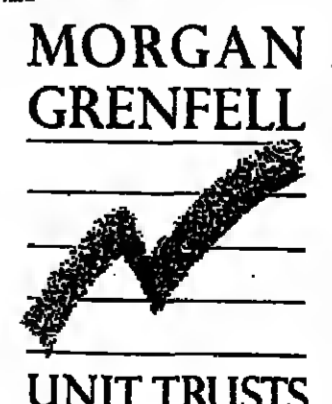
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Joint holders should give names and addresses and sign on a separate sheet of paper. Please do not use this application if you have already telephoned the order. Please send more details on: The range of Unit Trusts  American Growth  European Growth  International Growth



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# A matter of VAT

I am a self-employed sole trader. My turnover consists of 60 per cent commission from one source and 40 per cent which has been invoiced direct to my customers. If I combine the two aspects of my business, my total turnover will soon reach the VAT limit. Do I expect to be liable for all or only the 40 per cent invoiced to my customers?

which was sent to me with my notice of coding, car benefit is taxable to employees earning at a rate of £2,500 a year or more etc. As I work 20 hours a week, my salary, plus car allowance, falls short of this figure. So, I wrote to the Revenue pointing out this fact and querying whether I was eligible for this tax.

## Miles away

I am employed part-time as a district nursing sister. To qualify for this position, I had to have use of my own car. For this I receive an annual lump sum, plus mileage allowance. Over the past three years, the Inland Revenue has included these payments on my income tax form as taxable. At present, it has claimed £280.

The reply was that the car allowance in my code number is, in fact, a taxable expense payment and is based on the profit made on the payments made to me by my employer. The profit is taxable on all employees irrespective of their salary. Car benefit is given to someone who has been given a car by his employer.

car tax) although, because of the wording of the tax legislation, this might be a more difficult claim to which to succeed. We do not know why the Inland Revenue sent you a leaflet which was nothing to do with the question you raised. We can say only that mistakes do sometimes occur in Revenue offices.

## Tax relief on a house

My father-in-law, 74, has the opportunity of buying his council house for £31,000. He is able to obtain a mortgage for this amount but I will need to lend him the money to make the mortgage payments. As his income is only £2,400 a year, no tax relief would be available to him.



No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post or email as possible.

source outside the Miras scheme. The solicitor who acts for your father-in-law in the purchase will be able to guide him through the tax labyrinth.

## Too much duty paid

I read an article recently which gave information regarding stamp duty on house purchases whereby duty was not payable if the property was purchased before it was built. Unfortunately, the newspaper was destroyed.

# Housing problem

A second home has been bought utilising a £30,000 mortgage and it has been elected as principal residence pending sale of the original home (which has no mortgage) within the 18-24 month allowable period.

which of them is to be treated as your main residence for the purposes of mortgage interest relief. Your choice for CGT purposes is irrelevant to the question of mortgage interest relief.

## No evidence of land deal

Some years ago, the family estate was shared between myself and two other brothers. Some time later, the eldest required capital urgently and I purchased his share, but no supportive documentation was raised.

## Ask your tax office for the explanatory pamphlet III (tax treatment of interest paid), and IR65 (MIRAS) and CGT4 (owner-occupied houses); these may help you to see your way through the tax maze created by Parliament for home-owners.

It would indeed be difficult to establish what you say if there is no documentary proof. Nevertheless, it might be possible to do so, e.g. by obtaining a declaration from the court that your brother has no interest in the property. You should consult a solicitor.

# CHESS

CHESS MASTERS long have dreamed of a grand prix tournament circuit on the lines of golf, tennis or motor racing that would enable Karpov, Kasparov and their challengers to perform against continuous high-calibre opposition.

1 P-K4, P-K3; 2 P-Q4, P-Q3; 3 N-Q3, N-K3; 4 P-K3, K-N3; 5 P-B4, P-Q3; 6 N-B3, N-Q3; 7 B-K3, P-F3.

## Each participant will play in four contests, with his best three counting for the World Cup grand prize. Prize funds will total \$600,000 for the overall grand prize.

Each participant will play in four contests, with his best three counting for the World Cup grand prize. Prize funds will total \$600,000 for the overall grand prize.

## White's plans by the tactical counter 7... Q-N3; 8 N-Q4, Q-R4; 9 P-B3, P-F3; 10 P-Q4, N-F3; 11 P-N3, B-P3; 12 B-Q2, but recent games suggest that White's knight is worth more than Black's three pawns.

White's plans by the tactical counter 7... Q-N3; 8 N-Q4, Q-R4; 9 P-B3, P-F3; 10 P-Q4, N-F3; 11 P-N3, B-P3; 12 B-Q2, but recent games suggest that White's knight is worth more than Black's three pawns.



PROBLEM NO. 713  
BLACK (14 MEN)  
WHITE (13 MEN)  
WESTERINEN v. LOMGYEL, SAN FELICE 1973. White (to move) sacrificed a pawn for this position but now Black has offered a knight. Can White capture 1 QxN, and how should the game go with best play?  
Solution: Page XXX  
Leonard Barden

# NEW LAUNCH

# Preference & Fixed Interest Unit Trust

The current volatility of world financial markets makes the inclusion of a high-yielding fixed interest investment a prudent addition to investment portfolios at the present time.

The Prolific Preference & Fixed Interest Unit Trust aims for a high and stable income and capital growth, through investment in preference shares, convertibles, gilts and other fixed interest securities. The estimated gross starting yield is 8.4%.

With the top rate of tax reduced to 40% in the Budget, the net return to such investors has risen to 5.0%. Basic rate taxpayers, of course, do even better with a net return of 6.3%.

The Trust also offers the potential for capital growth, particularly when interest rates fall and, given the Government's determination to contain inflationary pressures, the prospects for this happening are good.

## Preference Shares

Preference shares are fixed interest securities which are issued by companies, usually with no fixed repayment date. They offer higher yields than gilts and greater potential for capital growth, particularly if the stock is repaid early or the company is taken over - there have been many examples of this in recent years and we expect the trend to continue.

## Convertibles

Convertibles are also issued by companies and, like most fixed interest investments, provide a fixed level of income and repayment of capital on a specified date. However, they also offer the unique option of conversion into the issuing company's ordinary shares. Because of their high yield and guaranteed repayment date, convertibles tend to hold up much better than ordinary shares in a falling equity market, whereas they tend to follow closely when the market rises.

With inflation set to continue at a low level and excellent prospects for corporate profits, the outlook for equities is good; the

**8.4%**  
Estimated gross starting yield.

- High and stable income
- Potential for capital growth
- Active management by proven experts
- Post-Budget opportunity - now more attractive to higher rate taxpayers

**Other Fixed Interest Stocks**

This section of the portfolio includes gilts and corporate fixed interest securities, such as debentures and loan stocks. In the case of gilts, both the income and repayment values are guaranteed by the Government. Debentures and loan stocks are issued by companies, usually yield more than gilts and, like preference shares, will often produce additional capital gains if the stock is repaid early or if the company is taken over.

**Convertibles**

Convertibles are also issued by companies and, like most fixed interest investments, provide a fixed level of income and repayment of capital on a specified date. However, they also offer the unique option of conversion into the issuing company's ordinary shares. Because of their high yield and guaranteed repayment date, convertibles tend to hold up much better than ordinary shares in a falling equity market, whereas they tend to follow closely when the market rises.

Sunday Telegraph  
Unit Trust Group  
of the Year.

# Prolific

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222 Bishopsgate, London EC2M 4JS.  
Unit Trusts · Pensions · Life Assurance

Trust's holdings of convertibles should benefit accordingly.

**Anticipated initial composition of the Trust:**  
65-75% Preference shares  
15-20% Other fixed interest stocks  
10-20% Convertibles

**About Prolific**

The Prolific investment team has gained a high reputation for successful investment management, both in the U.K. and in international markets. As a result, Prolific has developed into one of the country's fastest growing financial services groups.

**How to Invest**

To purchase units, simply complete the form below and return it together with your cheque made payable to Prolific Unit Trust Managers Limited. Units will remain on offer at a fixed price of 50p until 22nd April, 1988, and a 1% discount in the form of additional units will also be given on all investments received by that date.

Thereafter, units may be purchased at the offer price ruling on the day we receive your instructions.

Please remember that the price of units and the income from them can go down as well as up, particularly over the short term.

**PROLIFIC PREFERENCE & FIXED INTEREST UNIT TRUST**

Please send this subscription form, together with your cheque, either to your professional adviser, if you have one, or direct to Prolific Unit Trust Managers Ltd, (Administration Centre), Bishopsgate, London, EC2M 4JS. Tel: (01-247) 6644.

I/We wish to invest £..... (minimum £500) in the Prolific Preference & Fixed Interest Unit Trust at the fixed price of 50p per unit.

(A 1% discount will be given, in the form of additional units, on all investments received by 22nd April, 1988. Investments received after 22nd April, 1988 will be subject to the offer price ruling on the day of receipt.)

My/Our remittance, made payable to Prolific Unit Trust Managers Ltd is enclosed. I am/We are over 18 years of age.

Please indicate if you:

- wish all net income to be reinvested automatically in additional units.
- wish income distributions to be paid directly into your bank account.
- would like to receive details on our monthly savings plan (minimum £30).

Surname (Mr/Mrs/Miss) \_\_\_\_\_ BLOCK CAPITALS PLEASE  
Forename(s) in full \_\_\_\_\_  
Address \_\_\_\_\_  
Postcode \_\_\_\_\_  
Signature \_\_\_\_\_

In the case of joint subscriptions, the full names and signatures of all investors should be provided on a separate piece of paper.  
This offer is not open to the residents of the Republic of Ireland. FT 9/4

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Michael Wigan reports on the endangered ecosystem of the Brazilian Pantanal

# Splendours of the swamplands

IN 1543 the indefatigable Spanish explorer Cabeza de Vaca's expedition entered a swampy region in southern Amazonia into which, for the first time in this extraordinary traveller's land crossings of South America, he could penetrate no further.

Biting ants, swarms of mosquitos, sting rays and vampire bats turned him back from what is now, to use a worn phrase, one of the world's great ecosystems. Still barely inhabited, almost unknown to tourists and safari-seekers, the Brazilian Pantanal now is neither a hard place to reach nor uncomfortable to be in. And it hosts the largest concentration of fauna in the New World, including 30 endangered species.



Wildside

Geologically it is unusual, a 25m-acre alluvial plain, uniformly even at 300-400 ft, blending westwards with the not dissimilar Paraguayan Ohaco. To the north lies Chapada dos Guimarães, a strangely-eroded red bluff with springs falling over the lip and cascading into green jungly gorges which filter into the Pantanal. Southwards it extends to the central South American pampas and its waters become the Paraguay river, debouching into the sea thousands of miles away at Buenos Aires.

The Pantanal's immense plains of quickly-changing habitat and its innumerable blue, green and mauve lakes, both fresh and briny, are a unique environment. In the rainy season, November in May, the land is gradually transformed into a floodplain from which all life retreats onto the wooded ridges and bars still above water. Then, from June, the waters seep back into the Pantanal's labyrinth of sluggish streams, lagoons and rivers, sometimes so fast that the ranch cattle get stuck in the baking mud.

The habitat is diverse. Savanna is interrupted by a patch of forest, then a river. The low bush becomes a marsh dotted with skeletal trees shrouded with creepers, a confusing swampland of streams travelling in myriad directions. Along big rivers there are gallery forests, and the green corridors are broken up by successions of silver sandbanks.

The birdlife in this exotic environment is profuse. Over 600 species are listed, and owing to the openness of the country they are easily seen. Idiomatic are the man-sized, red, black and white

caribou storks solemnly standing alone, then taking to the wing with great long strides, pushing the ground away from them. The querulous hyacinth macaws beat from tree to tree in squawking groups. Egret colonies look like confetti in the trees; storks, roseate spoonbills, blue herons, rails, skimmers, ducks and geese (in summer), cover the waterfront.

Several different raptors are frequently circling at once, turkey and black vultures being common. Smaller falcons, hawks and kites are posted around the swamps feeding on the ubiquitous crustaceans, reptiles and giant frogs. The small bird life is vivid and abundant, mostly found in low bush, and includes many hummingbirds, flycatchers, tanagers and orioles. Kingfishers are common by water. After four days birdspotting I counted 25 new species in an hour by moving to a marginally different habitat off the lodge airstrip. Amongst the monstrous-billed turtles the Pantanal boasts the biggest, the too.

Underpinning this rich ecosystem are the small migratory non-carnivorous fish which come in from the Paraguay river between September and November. They feed the birds and alligators and they support the bigger sport fish for which in Brazil the Pantanal is known.

Many magnificent freshwater species abound. The piranha at over 400 lb is some form of freshwater shark. The orange-yellow, weird and whiskered jai at up to 200 lb (I saw one just under this weight) can take half a day to land. The famed trout-like dorado (up to 60 lb) is a fierce fighter and generally breaks free. Disturbingly extending its range because of heavy poaching of its chief predator, the alligator, is the notoriously voracious pirhana. In the Pantanal rivers no morsel lasts for long and a fisherman reported hauling in his pit-



Indigenous alligators: facing the water in motionless rows, they scuttle in as boats turn the corner.

ado with a dorado fighting for it from behind.

Of the Pantanal's animals, some are widespread elsewhere, like pumas, but idiosyncratic species are alligators and capybaras. Alligators face the water in motionless rows, scuttling in as your boat turns the corner. They surround you almost dried-out pool off the Transpantaneiro highway, shoulder to shoulder. The capybara is a large amphibious dumb-looking guinea-pig which breeds in June and is eaten by jaguars.

There is the largest otter, a victim of pothunters, and the Pantanal deer which drops its calf actually in the water in May. The king hunter is the nocturnal jaguar, whose pads in a family party we came across on a sandbar in the morning. There are exotics such as tapir and anteater, and a particularly unpleasant boar, the white-tipped peccary, which attacks man in packs, slaying with its tusks.

That dreaded green and yellow giant constrictor, the anaconda, weaves through the waterplant at the swamp edge and has been known to slide over a boat's gunwale at night and hook out its dozing occupant. We saw one 20 ft long and I felt the strength of a small one coiling round my arm, even after it had been shot for strangling a domestic duck.

There are five monkey species found in the higher forest including spider monkeys and nail monkeys and black gibbon.

Tourism in the Pantanal is a decade old; some say that land reclamation and illicit poaching mean the future is shorter. The few hotels or bush lodges are serviced by airstrips or tracks and

generally provide for hire aluminium flat-bottomed boats, guides and fishing tackle; those attached to ranches can organise horses for riding. Two I recommend are Pouso de Garca in the centre on the San Lourenco river, and Floxada das Araras along the Pantanal's only central road, the Transpantaneiro highway.

With the abundance of game one expects to eat well, and the variety of dishes is a welcome feature. However, tourism in the Pantanal is in low demand; good guides are rare; overcharging is common, and there is little infrastructure or information.

This palustrine paradise is under threat. Peripheral agri-improvements and draining, plus industrial gold-washing, have increased silt-levels in the system, killing off fish habitat. Although presently only about 3 per cent of the area has been developed, the results are showing in shallower rivers, a volatile water-table and smaller fish. The traditional inefficient cattle ranching is complementary to the ecosystem, and not antagonistic.

Poaching in this vast amorphous region is a serious problem. Monkeys, alligator skins, jaguar hides, macaws, tapirs, ocelot pelts and huge quantities of fish are emptied out of the Pantanal by professional gangs using hydrofolis and automatic weapons. Jacques Cousteau was told that up to 2m alligators could be killed each year. Government interest is low and the two official protection organisations, the Forest Guard and the Brazilian Forestry Development Institute (IBDF) are considered ineffective.

In some cases the poaching is thought to be linked to Bolivian cocaine smugglers operating through the Pantanal's several thousand small airstrips. Animal cargoes go back to Bolivia and Paraguay, which are not signatories of the international species protection agreements.

Interestingly, one or two ranchers, prepared to take extreme measures, have successfully quelled poaching on their own patches, and seen wildlife stocks rise again. All in all, the possibility of an international conservation body being involved in a programme of integrated tourism and controlled fishing and hunting utilisation seems the best practical hope for the Pantanal's survival in its present state.



The Peugeot 405 GTD Turbo... for those who want style and economy

## This Turbo is tops

THE LOCUSTS appeared like the first flakes of snow as I drove east from Taroudant, Morocco, with the windows of the Peugeot 405 GTD Turbo wide open to keep me cool.

I hate all creepy-crawlies. It was bad enough to see the locusts bursting on the windscreen and hear them thudding into the radiator grille as the swarm thickened. But the thought of sharing the interior with a score of monstrous, yellow-green grasshoppers was too much.

Hot though it was, the windows had to be closed and I prayed that no locust debris would find its way through the fresh air vents on the fascia. With the car shut, the wind noise disappeared and the rumble of tyres on the coarse tarmac diminished, but the level of engine noise hardly changed.

Even by modern diesel car standards, this Peugeot is exceptionally quiet. It does not rely on a mix of wind and road roar to subdue mechanical sounds.

The 405 GTD Turbo L8T is a turbo-charged and inter-cooled version of the 1,769 cc engine that has made the 205 Europe's best small diesel car. It produces 90 horsepower, enough, Peugeot says, for a top speed of 112 mph (180 km/h). Full gearing (over 26 mph or 40 km/h per 1,000 rpm in fifth) makes it long-legged and economical at motorway cruising speeds.

No, I saw no motorways in Morocco, but there were plenty of dead straight, well-surfaced and totally deserted roads on which to discover that, through the gears, it accelerates like a petrol-engined car as long as you keep the engine spinning at 2,000 or more rpm. Below that, it feels comparatively flat.

Peugeot had to turbo-charge the 1,769 cc engine, rather than the 1.9-litre used in the 309, because there could have been cooling problems with the larger unit. But the 405 can be had with an atmospheric (naturally aspirated) 1.9-litre engine and I found it just as agreeable a car.

Its low-speed flexibility compensated for what it lacked in through-the-gears acceleration. And although it is said to have a lower maximum speed (102 mph/164 km/h), in practice I had no difficulty keeping up with a well-driven Turbo.

The Turbo and the atmospheric diesels have almost identical official fuel consumptions. But the hard-driving press group managed 38.5 mpg (7.37 litres/100 km) in the atmospheric 1.9-litre car against 35 mpg (8.07 litres/100 km) in the Turbo. A sensible owner should get well over 40 mpg (7.06/100 km) from either car.

Although the 405 is still a new car, it feels so well sorted out that it might have been in production for years. Whether on tarmac or crossing river beds where concrete fords had been washed away by flash floods, it rode beautifully. It handles precisely, corners securely, drives with spirit, accommodates four full-sized people with room to spare, and has a very large boot.

The Coventry-built atmospheric diesels are in British showrooms now and will be joined by the Turbo in July. Prices are £2,745 for the GLD, £2,975 for the posher GRD. The Turbo GTD will be around £32,500.

Last year, Peugeot diesel car sales in the UK grew by more than 40 per cent and more than one in five of the cars it made in Britain were diesels. This year, it expects confidently to displace Ford as market leader.

Offering a medium-priced turbo-diesel with the specification and looks of a GT is an innovation for Britain. V6, for example, never imported the GLD turbo-diesel and BMW does not bring in its diesel cars at all. A high-performing, turbo-charged Citroen BX diesel will, however, soon be on sale in the UK.

Geoffrey Whalen, Peugeot Talbot UK's managing director who has led its recovery from near-

burst to boom, says some customers want fuel-miserly family cars while others fancy style, even sportiness, with diesel economy. He sees the 405 as being peccateers in the British mid-sized diesel market as much as the 305 has been among the super-minis. I think he is right.

In Morocco, I also tried the petrol-engined 405 automatic which becomes available in the UK in mid-June with a 1.9-litre, 110-horsepower carburettor engine; and in mid-August with a 125-horsepower, fuel-injected unit.

The four-speed transmission shifts smoothly and slips into third when speed drops below about 35 mph (56 km/h), ready for quick acceleration. It is an urbane, civilised transmission but Peugeot has no plans to offer it with the diesel engine for the time being.

Country motorists, in particular, will regret Peugeot's decision to confine the forthcoming on-demand, four-wheel-drive system to the 110-bhp, petrol-engined 405. Farmers and people in the construction industry are wedded to diesels. A 4WD 405 saloon or estate (due for announcement soon) that runs on cheaper fuel and keeps going across fields or on slithering tracks could be a winner.

A fourth Peugeot I drove briefly was the 205 Rally. This uses the same XU 1.3-litre engine with a pair of twin-choke carburetors as the Citroen AX GT. With 103 horsepower under the bonnet it is a real little flyer, a fast fun car for the young that sells in France for £2,400 less than a 205 GTI.

It comes only in white and would, I am sure, make a lot of friends if sold in Britain. At the moment there are no plans to import it, mainly because Peugeot cannot make enough of the XU engines and gearboxes to satisfy domestic demand.

Stuart Marshall

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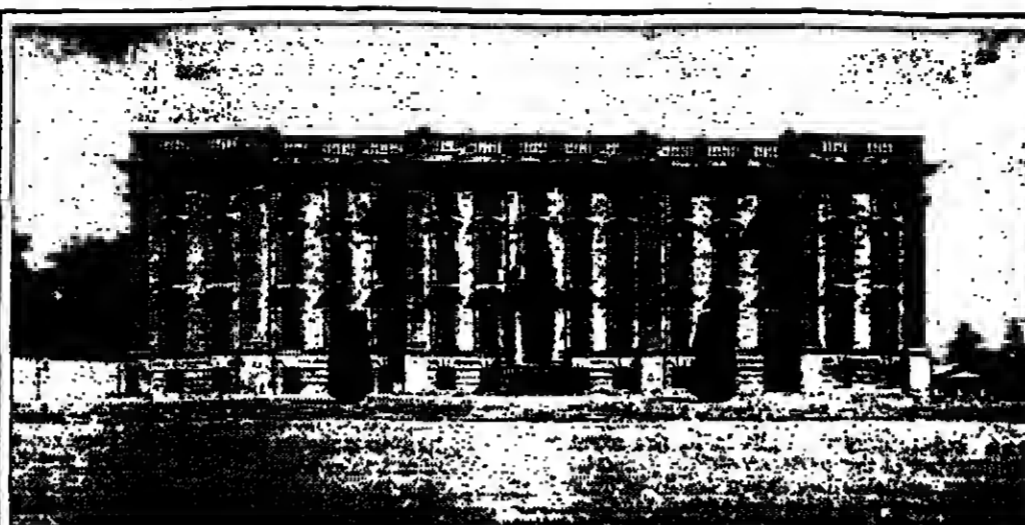
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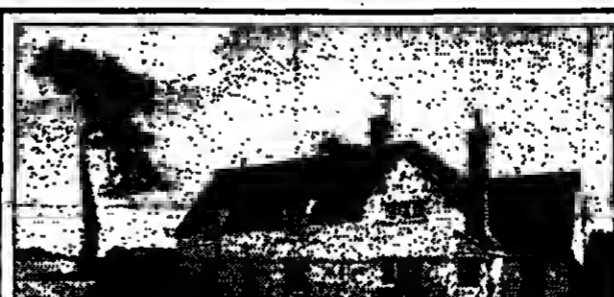
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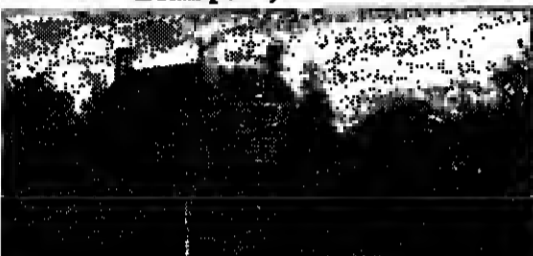
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John Brennan visits a West End gallery with a difference

New Landscapes to view

GRAFTON STREET, London, W1. P & CH chief George Tremlett has more than his share of galleries. The link between the triple A rated shops of Bond Street and their discreetly expensive neighbours in Dover Street is a favourite for window shoppers. Gallery fans have had a new set of landscapes to view, recently, three floors of them in all, stacked from floor to ceiling at 1a Grafton Street and each with its own sales brochure. There is no pressure to buy on the spot, no sale and delivery service, and none of the usual array of credit card symbols on the door to show that any internationally acceptable piece of plastic will do nicely.

The gallery is Prestige & Country Homes' new showroom, packed with a continually updated London overview of the cream of the houses available through Prudential Property Services' 750-plus estate agency offices across England and Wales. Staff there act as a link with the Prudential agencies directly handling property sales elsewhere in the country. Although they could arrange a sale on the spot, the idea is to give prospective buyers a chance to see as many properties in different parts of the country as possible under the same roof. Out-of-London clients can tap into the network locally.

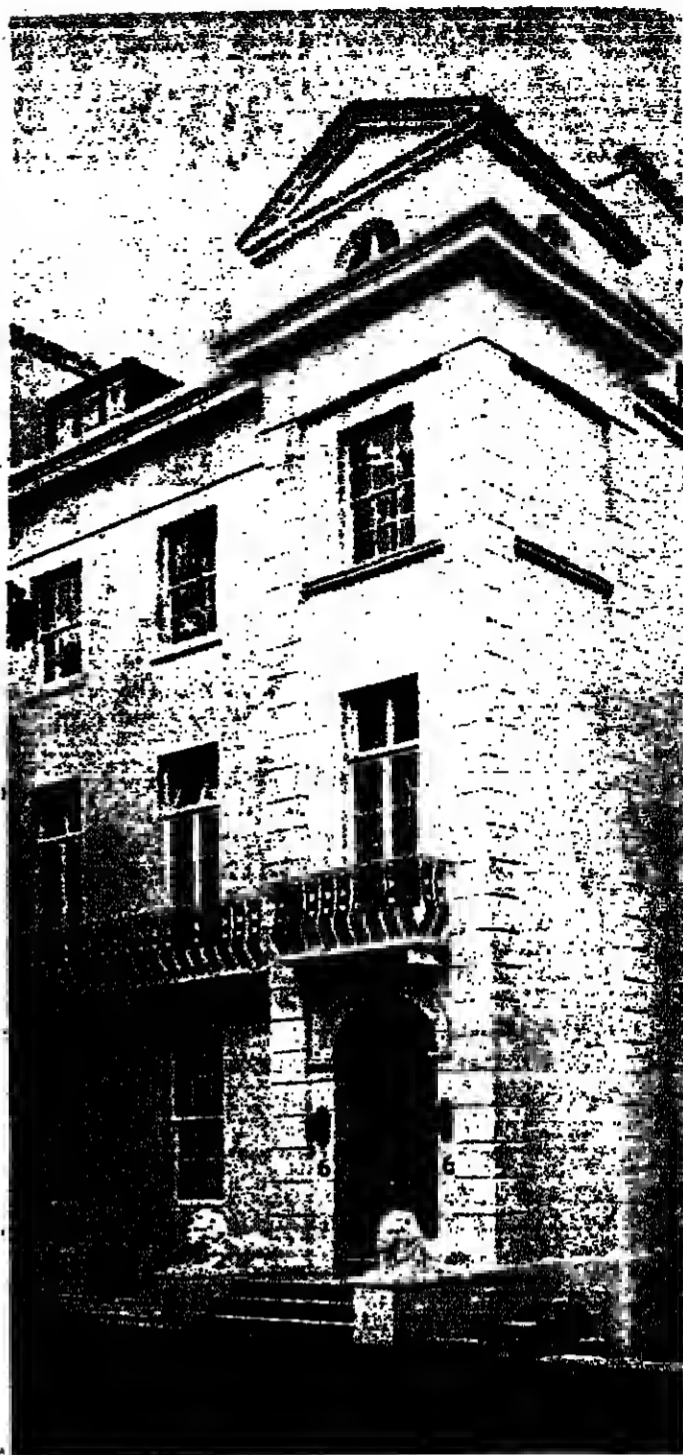
times think that you can tell when people like the idea of living in the country more than they'll like the reality of it," he says, "but as often as not you're wrong. You find that the least likely people fit in."

Nevertheless, a fair number of people do not make the transition. "You do get buyers who really only keep up with their London friends, having them down for weekends and keeping out of the local community. A good number of those go back into town after a time."

"I think that one of the problems is where you have a couple moving out to the country who haven't got young children, they don't have so many points of contact with people locally and so they have to make an effort and get out and meet people."

He does think that the comparative isolation of life in a village after living in major city is optional, but that it is a problem people do not fully allow for, particularly as it weighs far more heavily on the partner who is not travelling to work regularly.

"A lot of successful people who move out to a big house are travelling into town early in the morning and arriving back late and it does put a lot of stress on the family. When they decide to cut out the travelling and get a



CROWN ESTATE leases from smaller of the two completed houses in the row that have not yet been sold. The first houses to be built, numbers 6 and 7, were bought for nearly £2.5 m in October 1986 and combined into a single house.



HAROLD SAMUEL, the man who created the largest property company in the country, Land Securities, might have been expected to have a respectable sized home. His choice was Wych Cross Place, Sussex, which was his home for 34 years before his death, and it was the 200-acre estate bordering the Ashdown Forest that provided the basis of his title when he became Lord Samuel of Wych Cross.

Edward Fisher, the house, eight substantial lodges and cottages, tennis court, swimming pool and the Thomas Mawson designed gardens are now being offered for sale by Lord Samuel's executors at a guide price of £3m. Savills (01-499-8644) are suggesting a further £500,000 for another six cottages associated with the estate, which lies just five miles to the south of East Grinstead and 20 miles from the coast at Brighton.

Numbers 12 and 13 were sold separately last year. Number 11 sold shortly after completion leaving the £1.2 m number 8 and But then small is a relative a four-reception, six-bedroom terraced house, a point underlined by the number 9 available on a 99-year lease for £31.5m.

JACKSON JACKSON

LYMINGTON, HAMPSHIRE

An opportunity to acquire a property with enormous scope for potential for modernisation and improvement. The cottage which has the best address in Lymington is situated close to the town centre and town quay. 2 reception, kitchen, 2 beds, bathroom, garage and garden. Auction price guide: £100/105,000. Tel: (0590) 75025

JACKSON JACKSON

BROCKENHURST, HAMPSHIRE

A charming 4 year old family house situated close to the Forest edge of this popular New Forest village. 2 reception, 4 beds, 2 baths, central heating, double-glazing, double garage, garden. £239,000 Tel: (0590) 75025

JACKSON JACKSON

CHARTERED SURVEYORS

Old Bank Chambers, King Street, Knutsford, Cheshire WALE 6EA, Tel: Knutsford (0565) 53481

- STRETTON between Warrington and Northwich. Visible Residential Properties and Premises with productive arable land (Auction 10 M56)
- NEW FARM, STRETTON Detached, Tudor style farmhouse, with associated outbuildings and 11.20 acres
- STRETTON HALL FARM PREMISES Extensive range of outbuildings with 1.86 acres for conversion
- WALNUT TREE FARM Period Farmhouse in need of modernisation with associated outbuildings + 25.97 acres (optional further 98.97 acres)
- 51.95 acres in lots adjoining New Farm
- 96.82 acres in lots adjoining Walnut Tree Farm
- SUMMIT COTTAGE (subject to Tenancy) Semi-detached cottage with adjoining outbuildings over-looking farmland.

By Auction AT THE SINGLE HOTEL, LYNN ON WEDNESDAY 20TH APRIL, 1988 (Subject to Conditions of Sale and unless previously said) FREEHOLD AND WITH VACANT POSSESSION (EXCEPTING SUMMIT COTTAGE)

LONDON

JOHN D WOOD & CO

COUNTRY

<b>GRAFTON STREET, W1</b> A superb Georgian townhouse in a prime location, offering a rare opportunity to acquire a property of exceptional quality. The house is situated in a quiet street, yet is within easy access of the city centre. It features a grand entrance hall, a large drawing room, a dining room, a kitchen, and a bathroom. The property is offered for sale at a guide price of £1,200,000.	<b>GRAFTON STREET, W1</b> A superb Georgian townhouse in a prime location, offering a rare opportunity to acquire a property of exceptional quality. The house is situated in a quiet street, yet is within easy access of the city centre. It features a grand entrance hall, a large drawing room, a dining room, a kitchen, and a bathroom. The property is offered for sale at a guide price of £1,200,000.	<b>GRAFTON STREET, W1</b> A superb Georgian townhouse in a prime location, offering a rare opportunity to acquire a property of exceptional quality. The house is situated in a quiet street, yet is within easy access of the city centre. It features a grand entrance hall, a large drawing room, a dining room, a kitchen, and a bathroom. The property is offered for sale at a guide price of £1,200,000.	<b>GRAFTON STREET, W1</b> A superb Georgian townhouse in a prime location, offering a rare opportunity to acquire a property of exceptional quality. The house is situated in a quiet street, yet is within easy access of the city centre. It features a grand entrance hall, a large drawing room, a dining room, a kitchen, and a bathroom. The property is offered for sale at a guide price of £1,200,000.

London and Country Estate Agents  
23 Berkeley Square, London W1 01-629 9050

Frank Marshall

CHARTERED SURVEYORS

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- STRETTON between Warrington and Northwich. Visible Residential Properties and Premises with productive arable land (Auction 10 M56)
- NEW FARM, STRETTON Detached, Tudor style farmhouse, with associated outbuildings and 11.20 acres
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- 51.95 acres in lots adjoining New Farm
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By Auction AT THE SINGLE HOTEL, LYNN ON WEDNESDAY 20TH APRIL, 1988 (Subject to Conditions of Sale and unless previously said) FREEHOLD AND WITH VACANT POSSESSION (EXCEPTING SUMMIT COTTAGE)

BARN COTTAGE AND APPROX. 5 1/2 ACRES OF LAND

with the option to purchase an additional 1.8 or 6 acres  
FOR SALE BY AUCTION (unless previously sold) at WARRICK HOTEL, LEICESTER, CONVENT HALL ON THURSDAY, 15TH MAY, 1988 at 2.00 pm.  
Unique situation in the heart of the country enjoying excellent views without isolation. Easy commuting distance of Plymouth, Coleridge P.P. for conversion to spacious detached 4 bedroomed character property. Trout stream with fishing rights. Mature water and

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An exclusive high specification development of eight town houses.

Superbly located in a conservation area in the heart of Bournemouth. Luxury fully fitted German kitchen, central heating, 3 Bedrooms (one being master bedroom with ensuite tiled bathroom) 2nd Bathroom, Reception room, garage. Prices from £117,000.

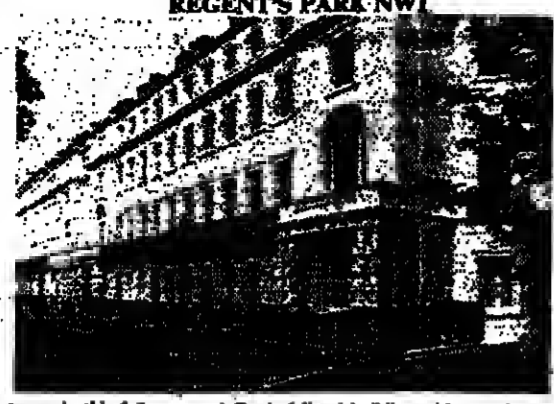
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24 April 1988

# London Property

**REGENT'S PARK NW1**



The last remaining apartment in this fully restored Grade I listed building with superb views across Regent's Park.

- 3rd Floor
- 2 Reception
- 3 Beds
- 2 Baths (1 en)
- Fitted Kit
- U/G Garage
- 99 yr lease
- Carpets
- Resident Caretaker

**£575,000**

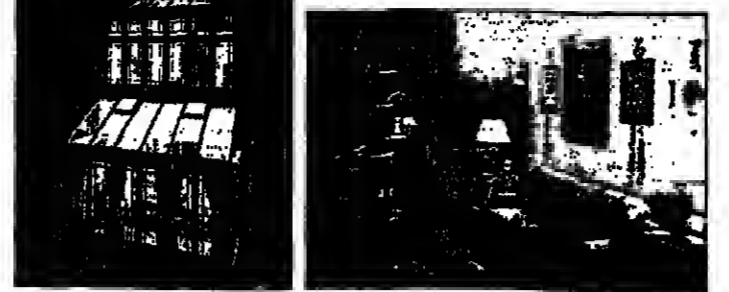
**Bargets**

\*A Development by Cleyfem Properties PLC in conjunction with The Crown Estate.

16 Park Road, Regent's Park, NW1 3PS  
Tel: 01-724 7025

\*Apply Sole Agents: 01-402-9494

# TURBLOE SQUARE, SW7



In one of London's finest Garden Squares between Knightsbridge and South Kensington, a meticulously restored Freehold Family House of outstanding quality.

L-Shaped Drawing Room, Dining Room, Conservatory, Main Bedroom with Ensuite Bathroom, 5 Further Bedrooms, 4 Further Bathrooms, (3 Ensuite), Kitchen/Breakfast Room, Guest Cloakroom, Utility Room, West Facing Garden, Passenger Lift, Staff Quarters comprising Bedroom/Sitting Room and Ensuite Bathroom, Kitchen.

**FREEHOLD**  
Offers in excess of **£1.75 million**

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**Knight Frank & Rutley**  
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**FULHAM**  
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A charming Victorian house situated in this fashionable area between Hurlingham and Putney. Green. Dble recep; 3 beds; 2 baths (one en suite); superb kitchen rm; cloakroom; landscaped garden; new roof. £280,000 FREEHOLD

**RICHMOND PARK**  
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Exceptionally large Edwardian house modernised to exemplary standards yet retaining many original features. 6 beds; 3 recep; 2 baths; fitted kitchen; 90' garden; new roof. £380,000 FREEHOLD

**SOUTH CROYDON**  
01-888 8887  
Unique 8 bedroom 1920s detached house in fantastic location for the City and the country. 8 beds; 2 recep; breakfast room; pantry; bathroom; terr. GCH; dbl garage; 140' garden. £175,000 FREEHOLD

**CLOSE TO HOLLAND PK**  
01-727 3227  
Gracious family house on 4 floors offering an abundance of style and character. Ent hall; 2 recep; study; 3 beds; drawing rm; kitchen; 2 baths; 2 bedrooms; roof terrace. GCH; front and rear gardens. Offers in region of £480,000 FREEHOLD

**THE CHASE, CLAPHAM**  
01-238 8285  
In this premier residential road of Clapham Common a beautifully renovated period family house. 10th drawing room; dining rm; kitchen; bath; utility room; study/bed 5; 4 beds; 2 baths; GCH; 65' garden. £315,000 FREEHOLD

**BLACKHEATH**  
An immaculate Victorian house on the edge of the Heath with views of Greenwich park. 67 bedrooms; 2 baths; 3 recep; kitchen; utility rm; wine cellar; lge pan; del garage. £65,000 FREEHOLD

**FARRAR STEAD & GAIN**  
PRIME PROPERTIES FOR SALE

**BURNABY STREET SW10**  
Charming modern town house in excellent condition. 4 beds, 2 baths (1 ensuite), draw rm, conservatory/dining room, kit, GCH, front & rear gardens, private parking.  
Lease 90 years **£240,000**

**ST BARNABAS STREET SW1**  
Rare opportunity to purchase an unmodernised maisonette on the Grosvenor Estate with its own street entrance. Draw rm, din rm, kit, 4 rooms, attic room.  
Lease 52 or 62 years **£205,000**

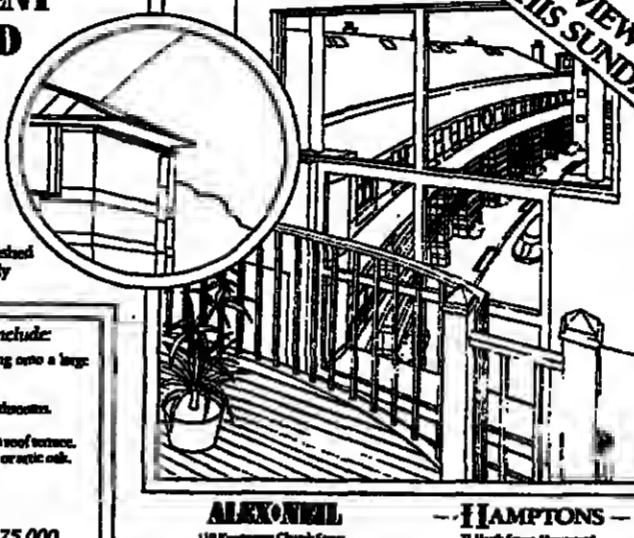
**CHelsea** 01-373 8425

**COLET GARDENS W14**  
Delightful Victorian terraced house in a quiet residential street. 4 beds, 2 baths, dbl recep, kit/break rm, cellar, GCH, w/facing.  
Freehold **£285,000**

**KENSINGTON COURT W8**  
Attrac 3 bed gmd & lwr grd floor flat presented in excellent condition. 3 beds, ensuite bath, 2 shower rms (1 ensuite), draw rm, kit, clk, GCH, w/phone. SOLE AGENTS.  
L/H 96 years (share of F/H) **£215,000**

**KENSINGTON** 01-603 1221

**COURTS CRESCENT ST ALBANS ROAD HIGHGATE NW5**



Between London's best known Heath and Hampstead and one of its most historic villages in Highgate, St Albans Road Properties have created an elegant development of 11 spacious houses, being conveniently located in a quiet, residential area just 300 yards from the Heath. The houses have been built to the highest standards, being immediately apparent upon inspection.

Accommodation and amenities include:

- Spacious well lit living rooms leading onto a large south facing garden.
- Fully fitted kitchen/breakfast room.
- Double bedrooms, each with ensuite bathroom.
- Spacious rooms from main bedrooms.
- Spectacular polished marble leading onto a roof terrace.
- Central door to houses in polished marble or oak oak.
- Gas-fired central heating system.
- Supplemented by a burglar alarm system.

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Purchase Prices £220,000 - £475,000

**ALEXONEL**  
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01-223 2000

**HAMPTONS**  
118 Regent Street, London W1A 2AB  
01-794 8222/2253

**GREENHAVEN COURT**  
1A MONTAGU PLACE, MARYLEBONE, W1

A superb selection of practical and spacious well proportioned apartments completed to a luxury standard, in this totally refurbished 1904 p/b block 'twist' Regent's Park and Oxford Street.

2 Bedrooms, 2 Bathrooms (1 e/s), Large Reception Room, Fully Fitted Kitchen. Approx. area 900 sq. ft. plus.

- Luxury Entrance Foyer.
- Parking Spaces.
- Automatic Lift.
- Covered Corridor.
- Independent gas CH.
- Video door entry.
- Fitted Carpets.
- Secondary Glazing.
- German Kitchens.
- White Bathrooms.

73 year leases. PRICES £250,000 - £270,000.  
SHOWFLAT OPEN TOMORROW 11 - 4 pm.

**PRUDENTIAL**  
Property Services

HYDE PARK OFFICE 262 5060  
40 Connaught Street W2

**NAIRN COURT - WIMBLEDON**  
New available, an exciting new development of 27 apartments ideally situated within easy walking distance of Wimbledon Town Centre. Terms: Leasehold - 125 years. Low rentals. Prices from £110,000. For further information please apply to Joint Sole Agents.

**NAIRN**  
01-946 1000

**HAMPTONS**  
01-789 7007

**01 225 8991**  
24 HOURS 01 225 0237

7 Grosvenor Court SW3 A beautifully refurbished 2 bedroom apartment with attractive views onto private gardens. Handsome portered block, close Chelsea Green. 2 beds, rec, fully fitted kit, bath, parking guest room. 87 years. £215,000.

South Kensington SW7 An immaculate 3rd floor flat (lft) boasting a fine double recep 25'3" x 18'5" and attractive leafy views over historic buildings, minutes from tube. 2 double beds, kitchen, bath, porter. 172 years. £198,950.

Chelsea - 98 Fulham Road Two brand new 2 bed flats situated in an established portered block. Both fully fitted and ready to move into. Seconds from shops etc. 83 years, 3 beds, 2 rec, kit, bath, £145,000. SOLE AGENTS.

**Portmans**  
Property Consultants & Estate Agents

**CHERRY GARDEN PIER**



5 minutes by river bus to the City!

A high quality development of traditional terraced town houses in a Thames riverside garden setting with spectacular views. 4 bedroom houses from £159,950.

SHOW HOMES: Broadway, Highgate, W11. Tel: 01 222 0887  
Open - Thursday to Monday 11am-5pm. Or by appointment through Sole Agents.

**Carlton Smith & Co.**  
Tel: 01-488 9017

**CARLETON SMITH & CO.**

**GUR WHARF E1** Superb 2 bed flat with direct river views in this very popular and well run warehouse conversion in Wapping. 2nd reception with balcony, fully fitted kitchen, master bed with bath, 2nd bed and bath, garage parking. Lease 122 years. **£285,000**

**HORLEYDOWN LANE SE1** Attractive three storey town house just by Tower Bridge. Ideal company lettings purchase. Reception, fitted kitchen, 3 beds, bath, shower, patio garden, garage. **£175,000** Freehold.


**MARROW STREET E14** Some of the best river views from the magnificent reception with bay window facing directly south, excellent kitchen, master bed with sumptuous bathroom, 2nd bed and shower. Lease 73 years. **£295,000**

**TELFORDS YARD E1** Spacious 2 bed flat on 3rd floor of well placed warehouse conversion. Original brick walls and columns giving lots of character. Large reception, fully fitted kitchen, bathroom, shower room, garage parking. Lease 122 years. **£180,000**

39 East Smithfield, London E1 9AP  
Tel: 01-488 9017

**12 AVENUE ROAD ST. JOHN'S WOOD - NW8**

**For those who demand the very best**



Naturally the location is perfect, just a 100 yards from Regent's Park. Obviously, the accommodation in this magnificent new building is designed and equipped to the very highest standards.

But, uniquely, each residence is one of a kind - a rare configuration of 4-5 bedrooms, reception rooms and recreation rooms on 1-3 floors. Three residences have swimming pools and saunas. One has a jacuzzi, a sauna and a gym. All residences are air-conditioned and all have terraces, gardens or patios and 2 garage spaces, while the building itself has 24-hour portage and a sophisticated security system.

Prices from **£1,000,000**.

For Full Details Contact Sole Selling Agents:

**Anscombe & Ringland**  
Hogg Robinson Property Group  
88 St. John's Wood High Street, St. John's Wood, London NW8 7HD.  
Tel: 01-586 3111  
Fax: 01-586 2779 Telex: 299660

*Because the best is always in great demand.*

# Country Property

**Jackson-Stops & Staff**  
National Agents with regional knowledge

**BROADWAY**  
Chipping Campden 5 miles. Cheltenham 15 miles. Stratford-upon-Avon 15 miles.  
An important commercial and residential Cotswold period property with a substantial frontage to the historic High Street. Associated for many years with the world of fine art.  
Suitable as a Picture Gallery, Antique Showrooms, Retail and Commercial units associated with town.  
Approximately 1,350 square feet of ground floor retail space. Superb 1st and 2nd floor flat. Would convert to retail use (subject to Planning). Walled garden with vehicular access. 4 car garage.  
Agent: Jackson-Stops & Staff, Market Street, High Street, Chipping Campden GL55 6AL. Telephone: (0582) 842224.

**Our Forestry Department offers the following services:**  
Advice on all aspects of growing trees - Valuations of woodlands - Purchases of forestry investments - Management of woodlands - Sales of timber, woodlands and sawmills - Preparation of working plans - Advice on available grants - Supervision of contractors

**Very Attractive Freehold Woodland for sale in Cheshire**  
34 acres of productive coniferous and/or near the fine thinning stage, together with a good proportion of the usual English broadleaf favourites, combines productive forestry with significant conservation and sporting aspects.  
For further information contact Robert Pearson BSc, MSc FRS, The Forestry Department, Jackson-Stops & Staff, 23 Bridge Street, Northampton NN1 1NB. Telephone: (0530) 32391. Offices throughout the UK.

# Harpers

**CLEVELAND SQUARE, W2**  
Superb 2 bed split level conversion overlooking Cleveland Square, (with private access).  
Quality of character, original features galore. 22' recep, 20 x 18 master bed & 15 ft kitchen. Only for those who appreciate charm & a bohemian atmosphere.  
Lease 122 years **£275,000**

**Ellis & Co**  
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01-723 8955

# Country Property

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Country & Executive Houses

**CLEEVE COURT**  
Notable 260 acre woodland estate with lavishly appointed Listed Regency House in the Gothic Style with views to Bristol Channel. 3 Reception, Music Room, Playroom, Kitchen, 8 Bedrooms, 5 Bathrooms (3 en suite), self accommodation, Billiard Room, Garaging, Coach House & Stabling, South coast, gardens, tennis court, paddocks, mixed woodland (Offers considered for the house in 25 acres) FOR SALE BY PRIVATE TREATY.  
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The Stone House Estate, Lower Swell  
Seven miles from the World 10 miles, Cheltenham 10 miles.  
A prime residential country estate in the heart of the Cotswolds.  
Delightful principal house 3 reception rooms, 7 bedrooms, and 6 1/2 bathrooms.  
7 attractive cottages some suitable for conversion.  
Productive 200 acre commercial farm with farmhouse, cottage and good range of buildings. Accommodation land.  
For sale by tender on Wednesday 18th May. As a whole or in 10 lots.  
Joint agents: Taylor and Francis, Stone-on-the-Wold, Tel: (0451) 30383 and Savills, Bankery, Tel: (0295) 3335 and Savills, London. Tel: 01-499 8644  
Contact: Justin Mackay or Henry Pizant

01-499 8644  
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**Brian Lack & Co**

SAT. 9.30-1.00  
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**EAST DEVON - HONITON**  
Well modernised period farmhouse of great character, ideal family home, amid 20 acres of paddock and woodland, 2 miles from town centre, 17 miles from Exeter. 5 Bedroom accommodation, stone barns suitable for stabling or conversion.  
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# HAMPTONS



**LONDON AREA**  
**SOUTH TERRACE, SW7**  
 Carefully restored period house decorated throughout creating a bright and spacious atmosphere whilst retaining many fine period features. Drawing room, dining room, kitchen, 3 main bedrooms, bathroom, shower room, Self-contained 2 room basement flat. Landscaped garden.  
 £795,000. 52 year lease.  
 Hampton London Office: 01-493 8222



**PRIMROSE HILL, NW1**  
 An impressive Victorian family home offering elegant and spacious living. Close to Regent Park. Reception room, dining room, breakfast room, kitchen, 4/5 bedrooms, 3 bathrooms, Staff bedroom and bathroom. Self-contained 2 room basement flat.  
 £850,000. Freehold.  
 Hampton Hampstead Office: 01-794 8222



**THAMES VALLEY**  
**BRAY, BERKSHIRE**  
 Impressive detached classic style property located in quiet backwater. Master bedroom suite, 3 further bedrooms, cloakroom, 3 reception rooms, Gas fired CH. Detached summer of bed/dining room with an en suite shower room. Garage. Gardens of acres. Moving to River Thames.  
 Offers around £425,000.  
 Hampton Middlesex Office: (0628) 74433



**BURNHAM, BUCKS**  
 Originally the conservatory of this large gracious house. Situated in a pretty conservation area with delightful private grounds of approx 2 acres and views to open countryside.  
 2 bedrooms, bathroom, reception, kitchen, entrance hall, Garage. Gas CH. Self Agents.  
 £275,000 Freehold.  
 Hampton Giddy & Giddy, Burnham Office: (06286) 63595



**RADHURST, EAST SUSSEX**  
 Outstanding detached family house on a site of 3 acres. Detachable double garage. Entrance hall, cloakroom, 5 reception rooms, conservatory, library, utility room, 4 bedrooms, dressing room/bathroom, 2 bedrooms. Gas fired CH. Double garage. Gardens and paddocks, about 3 acres.  
 Offers in excess of £350,000.  
 Hampton Mayfield Office: (0435) 872294



**ALLITREE ROAD, NW9**  
 Modern semi-detached house with charming south west facing garden. Ideally located close to excellent facilities of St John's School High Street and close to Regent Park. 4 bedrooms, 2 bathrooms (1 en suite), shower room, kitchen/dining room, name, cloakroom, integral garage.  
 £450,000. 92 year lease.  
 Hampton London Office: 01-493 8222



**COOMBE HILL, KINGSTON**  
 2 exclusive new detached houses within a secluded development bordering Coombe Hill Golf Course, each with approx 1/2 acre garden. 5 bedrooms, 3 bathrooms, shower, name, entrance hall, 3 reception rooms, cloakroom, kitchen/breakfast room, utility Garage. Security gates. Self Agents.  
 £615,000. Freehold.  
 Hampton Wokingham Office: 01-946 0081



**HAMSTEAD MARSHALL, NR NEWBURY**  
 Grade II Listed hall being converted into 6 luxury 2 bedroom apartments and 1 detached cottage. Specifications include Pottersfield Kitchen, luxury bathroom and shower room and landscaped communal gardens of about 2 acres. Units 1 & 2 are complete and available for viewing.  
 Prices from £150,000 Leasehold.  
 Hampton Giddy & Giddy, Newbury Office: (0435) 40542



**NEAR SEVENOAKS, KENT**  
 Handsome and well appointed Georgian rectory set amidst landscaped grounds of about 2 acres. Reception hall, cloakroom, 3 reception rooms, conservatory, study, kitchen, 3 principal bedrooms with built in wardrobes, 4 secondary bedrooms and 4th bathroom. 18th century coach house. 2 bedroomed cottage. Pretty garden.  
 Substantial Offers invited for the Freehold.  
 Hampton Sevenoaks Office: (0732) 452222 or London Office: 01-493 8222



**NR HASLEMERE, SURREY**  
 A fine Grade II Listed barn converted to the highest specifications amidst beautiful countryside. 3 reception rooms, kitchen/breakfast room, cloakroom, utility room, master bedroom suite, 5 further bedrooms, bathroom, shower room, 5 bay open planed barn.  
 Price Guide £480,000  
 Hampton Messenger May, Haslemere Office: (0425) 2307



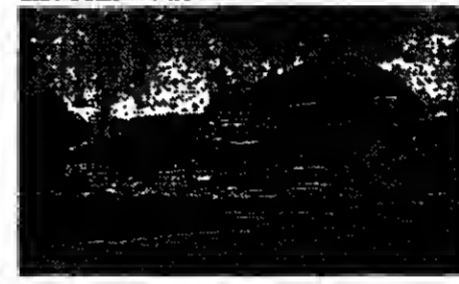
**HOLLAND PARK, W14**  
 Modern semi-detached house with charming south west facing garden. Ideally located close to excellent facilities of St John's School High Street and close to Regent Park. 4 bedrooms, 2 bathrooms (1 en suite), shower room, kitchen/dining room, name, cloakroom, integral garage.  
 Offers in the region of £675,000. Freehold.  
 Hampton London Office: 01-493 8222



**HADLEY GREEN, HERTFORDSHIRE**  
 Grade II Listed house set in 3 acres of formal gardens. 4 reception rooms, art room, kitchen, 4 bedroom suites, 3 further bedrooms. Cottage with 4 main rooms, 3 secondary rooms and kitchen. Office suite of 1,210 sq ft. Charming interior courtyard, carriage drive and parking.  
 Offers invited for the Freehold.  
 Hampton Busset Office: 01-441 6776



**HIGH IN THE CHILTERN**  
 A fine country house in a beautiful setting. 7 bedrooms, 4 bathrooms, 3 reception rooms. Long carriage drive. Entrance lodge. Brick built stables with five over-hanging pods. Fine tennis court, 1.43 acres.  
 Freehold for Sale.  
 Hampton London Office: 01-493 8222



**MAYFIELD, EAST SUSSEX**  
 An imposing detached country house set in rural position. Reception hall, cloakroom, 3 reception rooms, kitchen/breakfast room, 5 bedrooms, 2 bathrooms, 3 reception rooms, cloakroom, bathroom. Oil fired CH. Garage for 4 cars. Outbuildings. Gardens and paddock, about 5 acres.  
 Offers in the region of £325,000.  
 Hampton Mayfield Office: (0435) 872294



**OCKLEY, SURREY**  
 Magnificent farmhouse style home with detached barn set in 12 acres. Master bedroom suite with dressing room, 4 further bedrooms, 2nd bathroom, 3 reception rooms, cloakroom, kitchen/breakfast room, utility Garage. Outbuildings. Gas fired CH. Detached 2 bedroom, 2 reception cottage.  
 Freehold for Sale.  
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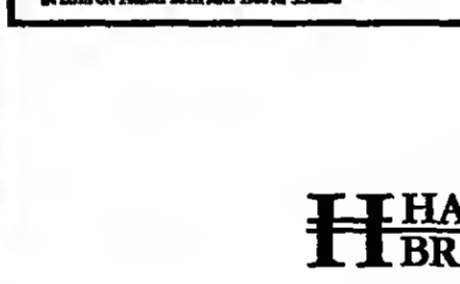
**OUTOK'S CHOBHAM VILLAGE, SURREY**  
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 Lot 2: The Lodge in grounds of 1.275 acres.  
 Hampton Guildford Office: (0483) 572864 and Hampton Messenger May, Guildford (0483) 592222



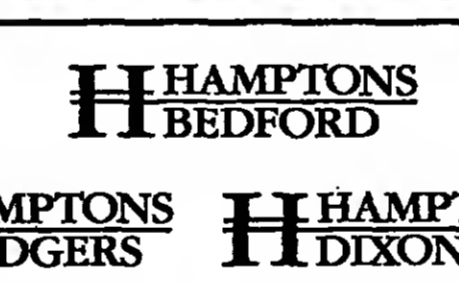
**SURREY/HAMPSHIRE BORDERS**  
 Beautifully appointed country house enjoying glorious rural location. Reception hall, cloakroom, 4 reception rooms, 5 bedrooms, 3 bathrooms, bath, en suite, utility room, 5 further bedrooms. Double couples with ground cover, terrace, garden and mixed paddocks of approximately 18 acres.  
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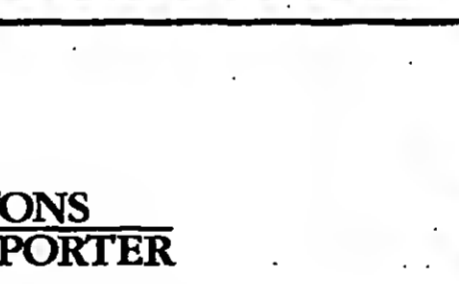
**KENSINGTON MAQUETTE, W8**  
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 £615,000. 40 year lease.  
 Hampton London Office: 01-493 8222



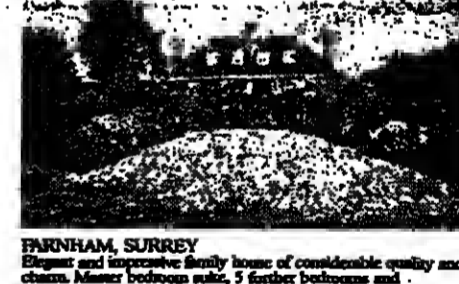
**ALDER LODGE, STEVENAGE ROAD, SW6**  
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**HUNGERFORD, BERKSHIRE**  
 A 19th Century barn converted to the standard of a new house, in a fine courtyard setting amidst outstandingly beautiful countryside. Impressive drawing room, dining room, kitchen, hall, cloakroom, 6 bedrooms, 3 bathrooms, one of which is en suite.  
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ISLE OF MAN

Houstrake Heights, onchan luxury houses and apartments 2 miles from Douglas. Adjacent to golf course with country and sea views.

THERE IS no shortage of garden columns that tell us what to do at Easter. Somehow, none of them tells us what the authors have done themselves. It might reassure you if I put on record the Country Diary of a Late 20th-Century Holiday-Maker. I think it is self-explanatory, if you bear in mind that our house is just beside the village church.

Mammy Thursday: Order one ton of semi-rotted pig manure for Easter spreading from local pig unit. Bribe two nearby cable-diggers from electricity board to remove the last of my recalcitrant conifers' tree stumps, which are still blocking the new border and refusing to come out quietly with a normal spade. They claim to have a "tree-grubber" in the lorry. Appalling weather forecast on evening TV almost aborts my wife's intention to try gardening after 10 years' abstention, caused by last load of Easter pig manure. Admittedly, it was a fresh load, not semi-rotted.

Good Friday: Took delivery of pig manure, smelling fresher than expected. Sit on garden wall while church congregation sings "There is a Green Hill Far Away." Explain instructions on half-hire bottles of Tumbleweed to Mrs Lane Fox, who has volunteered to break herself in by doing the poisoning. According to maker's instructions, though, Tumbleweed is not effective if weather turns wet. Examine clouds and decide to postpone decision. Instead, examine results achieved by electricity board's workers and find that the tree-grubber escaped lightly. Two

Dear Diary, (writes Robin Lane Fox), here's what I did at Easter



Of mice, men and manure

half-ton roots lie on the surface, leaving the third and two halves below ground. Return to plant new pink lavender from Scotland which hates pig manure and is, therefore, wife-proof. In afternoon, no rain, no clouds. Would have suited Tumbleweed, but standard Portuguese laurels, bought on spec. from another garden centre by phone and an object of ridicule to the family ever since. Find by heavy digging that my Portuguese laurels have

rooted very much better than their viburnums; haul them into garden centre van, suggesting they contact their least cost-conscious customer and sell them as screening among his Japanese maples. Plant the eight viburnums until dark. Return indoors to crisis in bathroom, where daughter thinks she has heard mice under the bath. Denied hotly until treble squeak confirms visitor under the floorboards. Left to take bath to squeaking and scuffling noises in order to prove there is nothing wrong. Easter Saturday: Discover bird's nest inside excessive hole made for bathroom waste-pipe by non-VAT-registered plumber last winter. Reach compromise with under-floor noise by saying birds are robins, not starlings. Return

to Weekend FT, which always delays action. Buck onto terrace with wife. Further discussion about Tumbleweed: decide it looks much too chunky. Instead, plant part of border above half-mangled tree roots. Use copious pig manure on plox, day lilies and something called verbenas Gravetye Gem, which looks remarkably un-hardy. Out to dinner via Oxford in order to plant a philadelphus (without pig manure) at far end of college border. Animated description by dinner host of the trees and shrubs in Florida Everglades. Another ideal day for Tumbleweeding missed again, thanks to TV forecast.

Back to garden. Early start on the Tumbleweed. Puncture bottle-head with garden fork and pour entire contents of two bottles into Killispray. Show wife how to apply it, but his intervening rose bush by mistake sends her to the church congregation singing high-pitched Easter hallelujahs. Hot air balloon floats overhead, belonging to one of the men who plastered our swimming pool floor after hours last summer. Spend morning building up new terrace bed for campanulas and a pink dandelion called Cresta lucana, which has been recommended strongly by another newspaper's gardening columnist. Already very warm; surprising harmony between scent of pig manure and a blue sky and scent of beef roasting in kitchen. Wife exhausted by spraying. Mention of swimming pool makes

her look under cover to find horrendously green-black water, algae and dead leaves.

Very hot afternoon, so hot as to make Tumbleweed evaporate. Garden wildly to make up for lost time. Plant perovskia Blue Spire (no pig manure) and unusual philadelphus from Hopley's of Much Hadham (probably too much pig manure). Back to bath among bird-squeaks; wife now understands how gardeners get earth stains onto underpants through gardening trousers.

Easter Monday: Splendid cold, contrary to forecast. Spend morning dividing favourite campanula Blue Moonlight to give colour under viburnum until the 1990s. Perthian woman in gumboots comes to collect my order from mail-order catalogue which I never asked to be put through the letter-box in the first place. Abandon hopes of further spraying in high wind. Instead, take children off to fairy local point-to-point. Amazed by number of motorists who mix blackcurrant cassia and champagne in car-park picnics behind wind shelters.

Return to find non-racing wife has rearranged gardening tools, boots and chaotic store cupboard. Everything banished to back passage. End Easter, on strict undertaking that gardening boots in future will be banned from the front porch.

Robin Lane Fox is the winner of the Arthur Sankey award for outstanding contributions to leisure writing, announced last week in the British Press Awards for 1987.

THE NEW late-fruiting raspberry, Autumn Bliss, has now been grown commercially for five years, sufficient time to confirm that it is a very good variety for both market and garden use.

It crops much more heavily than any of the old varieties of this type; has large, firm, well-flavoured fruits; and makes sturdy canes requiring a minimum of support. It is resistant to the large raspberry aphid, bearer of some of the worst virus diseases, although not notably to other pests and diseases. It is now becoming available much more freely in garden centres as well as specialist fruit nurseries.

Autumn Bliss received an Award of Merit from the Royal Horticultural Society on August 11 last year, and that date is significant since it emphasises the earliness of the variety in comparison with other autumn-fruiting raspberries. Although, like them, it does continue to produce ripe fruits in September and October. Partly because of this, which links it with the summer-fruiting raspberries, the experts who produced it at the Institute of Horticultural Research in East Malling, Kent, prefer to drop the description "autumn-fruiting" altogether in favour of primary cane or primocane, which describes more accurately what late-fruiting varieties are. All produce their fruit on growth made that same year, in contrast to summer-fruiting raspberries, which fruit on growth made the preceding year.

Arthur Hellyer discovers some tasty treats for autumn

When Bliss is a raspberry

During the spring and summer, there is only one lot of growth to be looked after - that actually producing the crop. (By contrast, summer-fruiting raspberries shed their cane while two lots of growth, the fruiting canes and the young canes which must be preserved carefully since the following year's crop depends on them.)

In addition, there is less chance of pests and diseases picked up by the old canes being passed on to the new ones, since they never exist side by side; and, after the winter pruning, the old canes can be burned. What stopped the old autumn-fruiting raspberries ever becoming very popular was their relatively low yield and lateness, but put much of the crop at risk from cold, wet weather. By

that appear to have the qualities that commercial growers appreciate - freedom from prickles, which will make picking easier, and greater size and greater suitability for mechanical harvesting. However, I doubt whether the little prickles on Autumn Bliss will bother the home gardener much.

There is also a demand for varieties from which the central pling of the fruit can be removed more easily; for primocane raspberries more resistant to a wide range of pests and diseases; and for varieties giving more of their crop in August and September. The trials at East Malling show impressive progress in all these directions, but not as yet all combined in the one new plant that could be a world-beater.



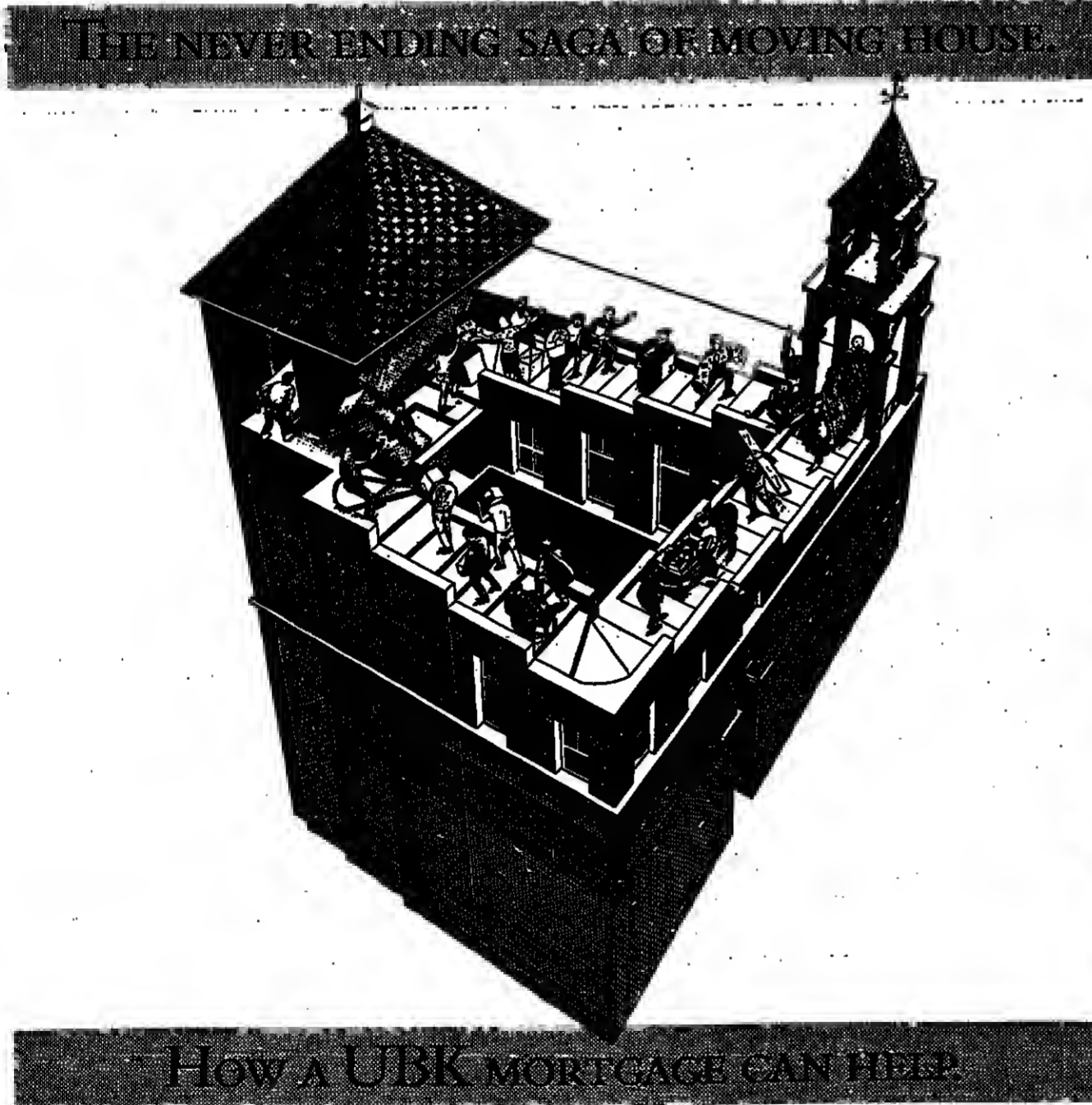
giving so much of its crop in August and September, Autumn Bliss avoids these drawbacks. For the commercial grower, this is a season when raspberries are still much in demand, and so the search continues at East Malling for even better varieties of this primocane type. There are some in the pipeline

New strawberries also are produced at East Malling and this autumn will see the introduction of Pandora, which some experts believe to be the best British-bred type since Reiganette 30 years ago.

Pandora takes the picking season up to mid-August without need to use remounting or everbearing varieties, which have numerous commercial disadvantages. I think amateurs will also like it for its big, well-coloured, high-quality fruits and its ability to give a crop nearly twice that of Cambridge Favourite.

However, they are likely to have to wait a while because the initial distribution by Exper Ltd, P.O. Box 108, West Malling, Kent, will be to commercial fruit-growers only, on a non-propagating basis. It will take a year or so for Pandora to get into the retail nurseries and garden centres, but it is certainly one to put on the waiting list.

There is just one snag. It requires another variety growing nearby for cross-pollination or it will not produce a satisfactory crop. The popular Cambridge Favourite will do well.



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DIVERSIONS

Janet Marsh previews a sale of bovine marvels
Beef, done rare



The White Heifer...expected to fetch between £8,000 and £12,000 at Christie's

NINETEENTH-century portraits of prize cattle can only fill us with amazement today. Did they really appear as the artist showed them - vast monoliths, huge about with great pads of fat and flesh, bellies bulging...

The answer is that these paintings probably give us a very fair impression of how the animals looked, for British domestic cattle have changed dramatically over the years...

The true progenitor of their Keston herd was a massive bull called Hinback, which they bought from a bricklayer for eight guineas...

Their phenomenal beasts captured public imagination; indeed, a considerable part of the profit from the herd came from exhibiting them like freaks in shows...

April sale in evocative paintings by Thomas Weaver. Charles Collingwood, who established a record price of 1,000 guineas when he was sold in 1810...

Another offspring of Favourite, 'The White Heifer' that 'Travelled' rivalled the journeys of the Durham Ox and was exhibited at the Three Kings Hotel in London's Piccadilly...

throughout the 19th century. In 1798, the Smithfield Club was founded by a group of noblemen and gentlemen, including the Duke of Bedford and Sir Joseph Banks...

The bovines giants that thrived the 19th century were finally to disappear in the early part of the 20th. Gastronomic tastes changed: the traditional roast beef of old England, marbled heavily with fat...

Needs to change: in the 19th century, cattle were important not only for milk and meat but as an essential source of tallow for the cheaper kind of candles...

None of the cattle artists seems to have aspired to the Stubbs class; but the best of their portraits, commissioned by proud owners, show a naive, irresistible enthusiasm for their subjects...

THE COLLECTION is the main event of the Liberae Collection, which went on show at the Los Angeles Convention Centre at the beginning of April...

The collection crammed the artist's five residences in New York, Los Angeles, Las Vegas, Lake Tahoe and Malibu. Even then, there was enough left to fill several warehouses...

In his autobiography, Liberae noted: 'There are now three warehouses filled with everything from furniture to china. And there's got to be a limit to the number of homes I buy to fill with them.'

Such obsessive competitiveness is often mentioned as the reason for a less-than-early life. Liberae was born in Wisconsin in 1919 and baptised Wladimir Valentinovich...

The great 19th-century piano virtuoso remained his idols and models; he was later to buy Liszt's piano and a Pleyel, supposedly used by Chopin, both now in the Liberae Museum.

Liberae studied hard at the piano and resisted parental ambitions to apprentice him to the steady trade of undertaker. At 11...

Liberae's legacy goes on its last show
Litter with glitter

he was playing in cinemas and ice cream parlours, graduating through nightclubs and student dances. At 17, he was performing as soloist with the Chicago Symphony Orchestra...

He was inspired to combine this joyful and stylish talent in 1939 when he played 'Three Little Fishes' as an encore at a classical recital...

Part of Liberae's genius was in knowing exactly the kind of romantic repertoire and the showy tricks and flourishes that thrilled his audience...

There is a lot of this quality about the collection. Many of the 1,285 lots are the most sought after of expensive art, and yet it all has a coherence to that every piece clearly has been chosen...

Decorating, he declared, 'is one of my greatest passions. The pictures of his homes, reproduced in the catalogue, suggest that he did not so much decorate as litter with glitter.'

His ultimate secret was probably that he was a nice, generous, genuine fellow. A colleague who made the very last interview...

with Liberae, for the New York Post, admits to being disarmed completely by his friendliness and lack of pretension.

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AEROSOL CANS, rusty refrigerators and fast food cartons are not usually the stuff to set political pulses racing...

FoE is campaigning to reduce the use of CFCs, one of the chief causes of damage to the ozone layer which is the atmospheric barrier protecting the earth from ultra-violet light...

So far, the campaign has met with some success. Recently, a group of trolley manufacturers announced - just three days before a proposed FoE boycott...

FoE has now directed its campaign to fast food cartons. Next on its list are the local authorities which allow abandoned refrigerators to rust on refuse tips...

The ozone layer campaign not only acts as a useful illustration of FoE's campaigning tactics but also of the way in which it balances its dual roles as a political pressure group and a charity.

Friends of the Earth was founded in 1972 as the British counterpart to a US environmentalist group founded in the previous year. Today, it can claim 50,000 subscribers - 10,000 more than last year - a staff of 30 and an annual income of £1.5m.

The organisation is divided into two parts. Much of its energy - and most of its money -

FoE's director Jonathon Porritt
Earth-savers

is spent on the original FoE pressure group. But, in the early 1980s it decided to form a second arm - the Friends of the Earth Trust - to operate an information service, conduct research and raise funds as a charity.

The two parts function independently and the reason is chiefly financial. The areas of FoE's work which involve information and research are not political; thus, it can raise the 2450,000 needed to run the trust each year from charitable sources...

However, as a pressure group, FoE is involved in the sort of overtly political work which is not compatible with its charitable status. 'We make absolutely certain that there is no overlap between the two parts of the organisation,' says Jonathon Porritt, FoE's director.

The only common ground is in research: funded and conducted by the trust but used by the pressure group as the basis for its campaigning. Thus, in the ozone campaign, the trust began by commissioning a study of the impact and the use of CFCs last spring...

there had been no response from the target manufacturers. Then, the campaign moved into its second phase when FoE wrote to tell them that its 220 local groups planned a 'boycott' of their CFC products...

The first targets were the giant trolley manufacturers - like Colgate Palmolive, Bechem and Elida Gibbs - which are responsible for almost a third of CFCs used in Britain.

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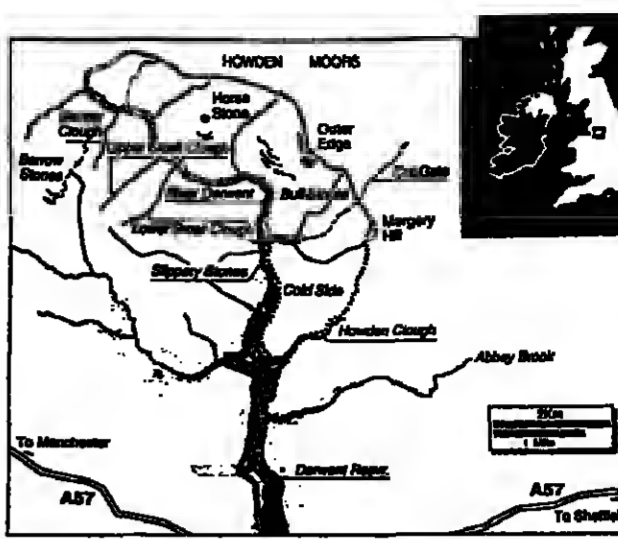
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A Peak of seclusion

SANDWICHED between the sprawling commuter belts of Manchester and Sheffield, and trapped over by countless hikers every year, the Derbyshire Peak District might seem an unlikely place in which to find seclusion...



Yet, while crowded coaches trundle round the White Peak - an area of pretty limestone dales in the south of the national park - the more rugged Dark Peak attracts fewer trippers...

During the Depression, ramblers from neighbouring industrial cities seeking freedom from urban squalor joined forces to claim their 'right to roam' on these wide grouse moors...

Once clothed in woodland of oak, elm and lime, the moors have long since been transformed by man's own mismanagement and subsequent erosion into barren wastes of peat...

Things are not always so bleak, though. In exceptionally dry spells the peat resembles a firm mattress, and I have known the park authorities close large sections to the public as a fire risk...

Exchanging the security of river and ancient space for a beyond Lower and Upper Small Cloughs - two of many tributary feeder streams - the broad track gives out and we were following a thin line of old footprints over deep snow...

Back beyond Longendale stood Hulma Moss television mast and the anachronistic whiteness of Black Hill; to the south, the Barrow Stones and the Derwent's headwaters...

Swinging east on the home-ward leg you traverse trackless ground, although the going that day was good. Walkers on the 40-mile (64km) Derwent watershed challenge - a grueling circular route enclosing the river's entire water-gathering area - often consider this stretch on the Hovden Moors the crux...

Distant specks in the snowy emptiness grew to a couple going west, the only other humans we were to meet that day. Occasional parish boundary stakes lead on past the Horse Stone towards Outer Edge, an outcrop of sombre gritstone boulders...

The way forward crosses Cut Gate, once a well-maintained track for farmers riding over to Penistone market from the Ashop and Derwent valleys but now, alas, neglected. It is, however, still useful to ramblers and would make a good short cut onto these unfrequented moors from Shipley Stones bridge...

Reluctant to leave, eventually we descended to Slippy Stone, grown sloppy in the afternoon warmth and took a path line south beneath Hovden Edge. Travelling against the grain of the land invariably is hard work and we floundered over unseen stream-beds and boulders, cursing the unstable snow crust.

Tussock grass followed to the head of Hovden Clough and we were on down past the tiny reservoir and into pine forest before the reddening sun had set. Returning to Slippy Stone, the breath of another hard frost already was blowing idly against our faces.

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Wiggle Home

Alice Rawsthorn

J.M.

How serious are you about getting fitter?



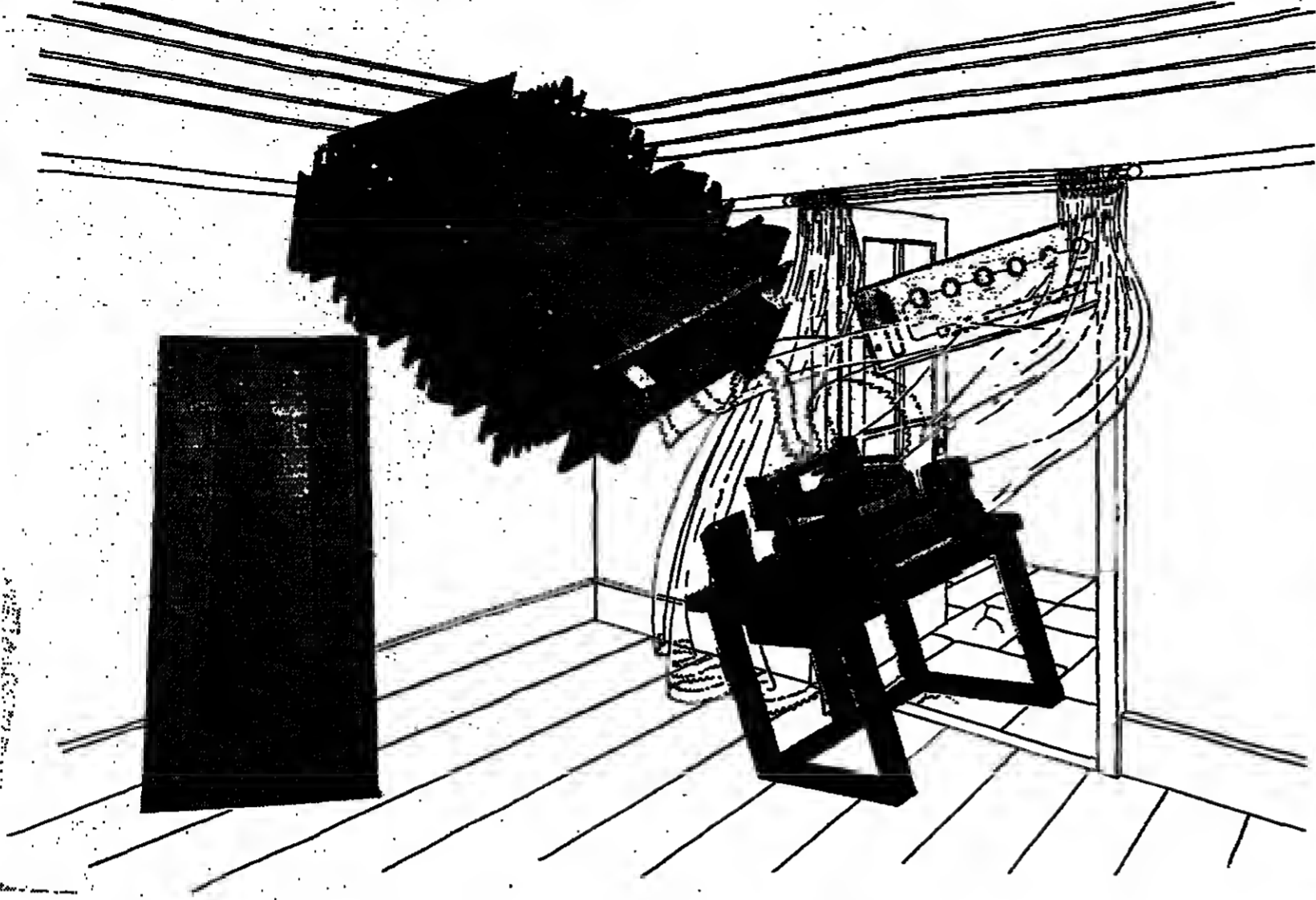
More people are taking up exercise at home every day. But if you really mean business you'd do best to look beyond the promises of near-instant results with little outlay in effort and cost. Look instead at Tunturi. Because exercise at home is like exercise anywhere. You get out what you put in. And putting a Tunturi exercise machine into your fitness plan provides the best start possible. You enjoy the convenience of exercising at home with the effectiveness of the equipment used in the world's top fitness establishments.

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DIVERSIONS

Ken Kessler lends an ear to the world of serious music systems - such as a record needle for £2,000



Hi-fi seeks a note of perfection

HIGHLY-PRICED luxury versions of everyday items are almost commonplace today. Reduced to a price-tag, a Porsche 911 sports a £90,000-plus car, or 20 Fiat Unos. A typical Patek Philippe wrist-watch costs as much as a couple of hundred Swatches. Prime position flats, frocks to be worn but once, even bottles of wine which will yield a mere half-dozen glasses - all enjoy a level of prestige which commands respect rather than disdain for the sky-high pricing. But there is one purchase where the world at large has yet to acknowledge the presence of a serious, unmarket, luxury alternative - the world of hi-fi.

you're after the finest sound money can buy. The British market, probably the toughest, most sophisticated hi-fi arena of all, has been the slowest to embrace the true high-end." Until very recently, the attitude of British manufacturers has been biased toward the mid-market, setting itself lowish goals, with some using the excuse that it is harder to design with built-in resistance than for "cost no object." This attitude is reversed in the US, where most high-end designers conceive the product first, then worry about how much to charge. Another aspect of the British market is its familiar coming and going of conspicuous consumption, of "flash." All this from the country which produces the Rolls-Royce. Slowly but surely, however, the British music lover learnt of hi-fi practices from abroad, which raised performance to a previously inconceivable level.

If space is a problem, and the thought of telephone call-box-sized speakers blocking the view of the Marise just isn't on, you can always opt for the minimalist Wilson WATT loudspeaker. Easily mistaken (size-wise) for any small "bookshelf" speaker, this solid concrete-and-resin, luxury veneered mini-speaker will set you back a mere £6,000. On the other hand, you may have a large lounge to fill, in which case something like the 72in tall Apogee Diva (circa £7,000) will do nicely. The high visibility of this radical audio equipment and the success of Absolute Sounds has led to the creation of a new breed of retailer, a new breed of customer, a change in the attitude of the specialist press and the appearance of a number of rivals for Fransosovic's title as King of the Hill.



The sound of music... at a price. From left, the Apogee Diva speaker, eight feet tall and £8,000 per pair; the Krell KSA200 power amplifier, price £4,400, although the Krell range starts at £2,000 and goes up to £20,000; the Audio Research SP11 mark 2 amplifier, £5,350 and the state-of-the-art Goldman Reference turntable for £16,000

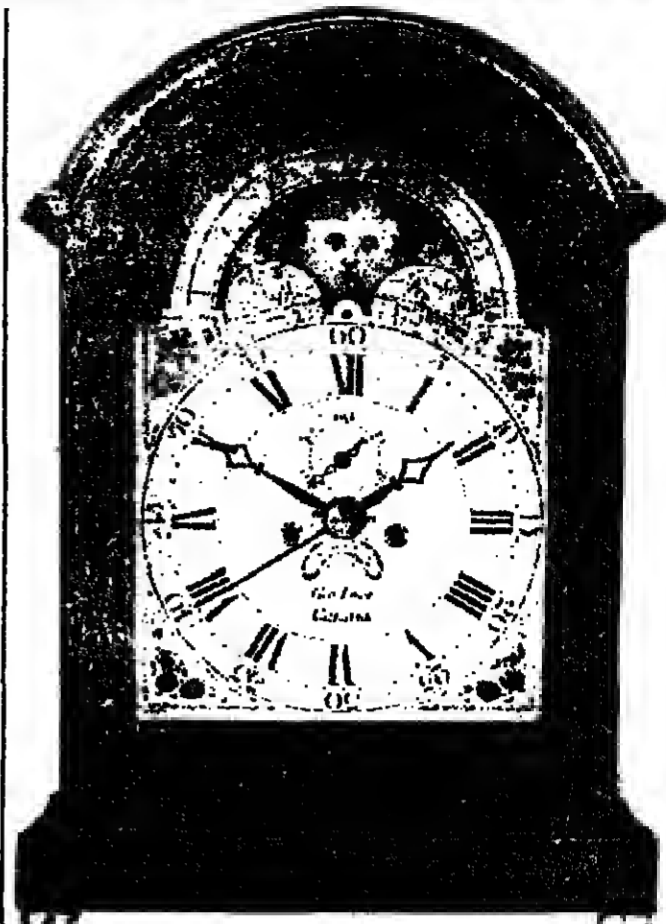
nary offerings, all of which promise to raise your musical enjoyment to near-organic heights.

Hopefully not too late, some British manufacturers have responded to the high-end challenge. Naim, based in Salisbury, are about to unleash a costly-but-effective electrostatic loudspeaker, while Musical Fidelity are manufacturing amplifiers to rival the American monoliths. Linn's LP12 record deck, which revolutionised the role of the turntable, remains the standard by which all other decks are judged, while the venerable Quad continues to produce the world standard electrostatic loudspeaker.

As for the retailers, they have had to learn how to deal with customers spending five figures rather than three, mainly by introducing better service and attitude. The price as desperate as they are for scintillating copy and fascinating subject matter, has had a field day with such photographic evidence. And the customer? He still whines and moans about the absurdity of the prices. Until he hears the stuff.

ADDRESSES: Absolute Sounds, 818 Worpole Road, London SW20 0J 047 5047. Absolute Gold, 1 Orson Lodge, Old Farm, Hampton TW12 8JQ. (01 941 6737). Presence Audio, The Old Posthouse, Plummers Main, Horsham, W Sussex, RH15 6NU (0403 78777). Vital Systems, 38a Newdown Way, Middlesbrough TS7 7BW (01 435 256-0).

AT LISTS/Audio T, 190 West End Lane, London NW6 1SQ (01 794 7849). Aston Audio Ltd, 4 West Street, Alderley Edge, Cheshire SK9 7ED (0625 58700). W A Brady & Son, 401 Southtown Road, Liverpool L15 8JQ (051 738 6868). The Music Room, 221 St Vincent Street, Glasgow G2 5QY (041 248 7221). Pinewood Music, Church Lane, Goodworth Clowes (0625 58700). W A Brady & Son, 401 Southtown Road, Liverpool L15 8JQ (051 738 6868). The Music Room, 221 St Vincent Street, Glasgow G2 5QY (041 248 7221). Pinewood Music, Church Lane, Goodworth Clowes (0625 58700). W A Brady & Son, 401 Southtown Road, Liverpool L15 8JQ (051 738 6868). Radlett Audio Consultants, 141 Watling Street, Radlett, Herts (0276 64977).



A timely idea...

Lucia van der Post



Roger Lancelotti is a clock specialist. Observing the vast number of longcase clocks being sold abroad he decided to preserve some of the faces by using them to a series of modern quartz clocks. These have all the visual charm of older models but all the modern practicality of high-tech know-how. I don't find all the transpositions successful but in this particular case (above) I think it works well. You can see them either at Roger Lancelotti's own shop, Big Ben Clocks on New King's Road at 5 Broadhouse House, London SW6, or in stores such as the General Trading Company, 144 Sloane Street, London SW3, Selfridges, Harrods, Harvey Nichols and so on. Prices range from £16.50 for a small table clock, the mantel clocks are £49 each and wall clocks start at £15.

Sheila (Tel. 0603-663024). She will deal with torn, lumpy and much-loved rugs by post or by rail and if you are looking to buy she now has a small gallery in Totnes High Street where there is a selection of both old and new pieces.

Vigo covers the market

If you have a taste for the gentle beauties of authentic old Aubussons, Savonneries and Needlework rugs you will know that not only are they thin on the ground (sorry) and getting thinner but that when you are able to track one down they often come with the kind of price-tag that not so long ago used to buy a house. Vigo Carpet Gallery of 6a Vigo Street, London W1K 1AH has long been one of the sources where ardent carpet lovers would search out rare specimens. Seeing, however, that there were more searchers after rugs than rugs to meet the demand, Vigo Carpet has now started to design and make its own rugs.

Shelving a problem

I've never yet known, and certainly never lived in, a house in which every book had a home. Books and how to store them are, almost by definition, a recurring problem - no sooner has it been solved than, of course, more books arrive (and if you are the sort of person who deals with the matter by throwing them out then I think you'd better turn the page). Help is at hand, Tomkins is a new company set up almost entirely to design and build bookcases. Tomkins is primarily a domestic furniture business, but takes a particular interest in bookshelves and likes to design and make them to suit individual tastes and situations. Each is made to suit the house and the room to which it will live. Built-in bookcases usually work out at about £750, depending on the size and the finish required, but there are also free-standing models which sell at about £400. So if books are your problem, give Tomkins a try. Find them at 47a Chiswell Road, London NW11 6LS Tel. 01-463-4538.

Rug trade

Sheelagh Lewis, whose rug-mending service I mentioned a few weeks ago, has moved. No longer in Whitehall she is now to be found at 20 Bridgetown, Totnes, Devon TQ9

Lucia van der Post is on holiday



1988 Collection - The Iris Clock  
Madame Marie-Claude Lalique has pleasure in inviting you to join her for the launch of her 1988 collection on Saturday 9th April, 1988 at the Lalique showrooms, 24 Mount Street, W1 and at Harrods, Knightsbridge. During this rare personal appearance, Madame Lalique will autograph all pieces purchased, of both the current and the new collection. We look forward to seeing you then and hope you take this unique opportunity to make your own Lalique collection even more precious.

Saturday 9th April  
Harrods 11.30 am - 1.00 pm  
Lalique 3.00 pm onwards

LALIQUE

Philippa Davenport

Cookery

Tastes of yore



OLD-FASHIONED food is a la mode. In France the news is that chefs are competing with each other to produce the sort of substantial and wholesome dishes that the housewife and bistrot can do so well, dishes such as garbure, haricots d'aygnon, choucroute, boeuf bourguignon, pot au feu, choucroute garnie and so on. In British catering circles there seems to be a similar trend back in favour of good home country cooking - British country cooking, I'm glad to say. This is not entirely surprising given the general re-emergence of a taste for the rural way of life that we have witnessed in recent years. None the less, it should give the home cook quiet satisfaction to see the tables turned. Instead of striving to emulate the creators of nouvelle cuisine, it is the home cook who is in vogue and the professional is trying to rediscover the simpler culinary pleasures that are his, or her, natural forte - traditional recipes that rely on fresh local produce and simple cooking skills.

The comeback of good home cooking seems to inspire a more homely style of entertaining. In my neck of the woods at any rate, dinner invitations are giving way to a pleasurable flurry of weekend lunch parties, when old-fashioned favourites such as steak and kidney pudding and regional specialities like Lancashire hotpot are being served with pride once more. When resurrecting an old favourite from his or her repertoire the cook instinctively makes little changes and adds fresh slants, subtly updating the recipe to take into account the influences that have coloured his or her tastes and attitudes. Fashions to food, restaurant eating, travel abroad and new nutritional information are all factors here.

In general, we mind much more now about the handsome presentation of the food, having come to recognise that we eat food with our eyes before we taste it. We are more imaginative about menu planning and less hidebound by the strictures of "meat and two veg." We have acquired a taste for meats that retain a faint tinge of succulent pink, and we have given up killing vegetables by drowning. We have become more health-conscious and our taste for fat has genuinely diminished. Some interpretation of nouvelle cuisine

came perilously close to starvation rations, but most people now want rather smaller helpings than they once did and the contexts in which filling dishes are served tend to be lighter. Roast meats are enjoying a heyday once again. What is new this time round is the way all the trimmings and the once familiar vegetable accompaniments may now be missing. Often just one little vegetable or maybe a salad will be served with the meat, and perhaps some bread instead of the roast potatoes and roast parsnips of yesterday. Vegetable dishes are more likely to be served in the first course, with old-fashioned varieties like sea kale, sauté and samphire making the smartest choices, while traditional British delicacies like potted shrimps and smoked trout are also making a welcome comeback.

Puddings, like the dish that preceded an old-fashioned main course, tend to be less substantial than in the past. To follow jugged hare with apple Charlotte or treacle sponge, as some were tempted to do in the old days, is unthinkable now. Too much of a blow-out by far. Good home cooks today take care to choose something small and refreshingly fruity to cleanse the palate. At this time of

year it might be a flaming apple snow, a sharp-and-sweet apple meringue, a compote of rhubarb or a tart chubarb fool. A classic lemon mousse would be good or pears baked in a light lemon syrup scented with vanilla or sweet gumminum leaves. And lunch will end in the approved British manner with cheese. Not a bland factory-made slab, I hope, but a farm product properly made in the traditional way. The cheeses will be partnered with a jug of celery and home made old-fashioned water biscuits or oat cakes.

What could be more English than a sumptuous roast strutta, a perfectly puffed-up Yorkshire pudding and plenty of clear gravy? To strike a really old-fashioned note, serve the Yorkshire pudding with gravy as a first course. Then bring on the best, and for a little late twentieth century update I suggest you accompany it only with gravy and an undressed salad - either water cress alone, or a mixture of chicory, sorrel, radicchio and corn salad. Slightly bitter leaves go well with beef and they are particularly good when dressed with gravy instead of vinaigrette. Roast chicken seems likely to become a proper Sunday treat again now that it is possible to buy New York-dressed (that is,

Advertisement for 'THE PERPETUAL CALENDAR' by Audemars Piguet. The ad features a large image of a watch and text describing the calendar's features and availability at various locations like Asprey, Garrard, London Hilton, Mappin & Webb, David Morris, Tyme, and The Watch Gallery and Watches of Switzerland.





ARTS

The noble grace of Leningrad's living theatre

As the last relics of the winter snows melt in the corners of the parks and gardens, and the ice on the Neva breaks up, Leningrad emerges into the spring and a brilliant sunny day catches the gold on the domes of St Isaac's cathedral and the spire of the Admiralty building...

Four performances of Easter-time revealed the company to be in superlative form. In Giselle and La Bayadere I saw senior members of the troupe; in Don Quixote and Swan Lake certain of the youngest aspirants were making debuts...

ing grace quite as much as by her transcendental way with the choreography. The full-length Bayadere is one of the Kirov's ancestral treasures, a production somewhat edited from Petipa's original...

through his variations, and looking commandingly a warrior. And, in the classical complexities of the second act's Grand Pas, in the various exotic ensembles, the Kirov mastery of style everywhere shone.



The Kirov ballet company: a formal aristocracy that is a mirror of the city's proportions

Clement Crisp visits the Soviet home of the Kirov ballet company to find a city and its dancers in perfect harmony

It is this grace in relating citizens to their environment that finds a reflection in the Kirov Theatre and its ballet company. No-one had prepared me for the perfection of the Kirov as an opera house. Here, surely, is the ideal, the most beautiful auditorium...

The Shades finally appear, as masterpieces of operatic realism, and very beautiful. They contain, and inspire, a company interpretation which respects the conventions of the old ballet and makes them live.

The staging was transmitted from the Kirov a decade ago by BBC TV, and the performance I saw this week brought the same Nikitya, Gabriella Komlyeva. Her every entry on stage occasioned some aggressive, enthusiastic hailing by a couple of fans...

Collections of a Grand Tourist

Thomas Coke, later first Earl of Leicester, was a Grand Tourist of great application, though he started young: leaving in 1712, aged 16, he was away for six years. Besides the classical studies there was fencing, besides civil law, there was dancing, and he fell for the arts: 'I am become since my stay in Rome, a perfect virtuoso, and a great lover of pictures, even as far as to encroach upon the rights of my guardians as to buy some few.'

And some few still remain in the Norfolk house that he was to build later on, Holkham, one of the grandest mansions in the Palladian style. The 'Landscape Room' is an epitome of the taste and interest of eighteenth century taste, to include Claude (seven), Gaspar Poussins, Salvator Rosa. But Thomas Coke also bought drawings, and the Holkham collection of over 400 Old Master (mainly Italian) drawings is one of the most important survivors of its kind still in private hands...

among far greater names, that of Claude is represented by a spectacular clutch, both in quality and variety - the one that attracted me was an unusual study standing in a garden in and pen, of young women, figures for a group of dancers. They are superbly suffused by the bistre wash, yet buoyant and in loose cluster almost air-borne, as if music gossamer.

The drawing, as I recorded from its Paris showings some years ago, is most persuasive. The action is understated but emotionally direct, cleaned of vulgar effect - like the domestic style which it frames - and revealed as that irreducible minimum which is most potent in the theatre. Igor Ivanov's design is romantically sensitive, the shadowed forest of the second act the perfect location in which to deploy the marvel of the Kirov corps de ballet as well. The dancing was everywhere excellent - not least in the appearance of Alexander Luyev in the peasant part de deux. Taking effortlessly to the air, landing with cat-like softness, he recalls that earlier reading of the hero, Balala, from Soloyov. His partner, Jeannu Aynopova, dazzled by her charm...

"A girl and a child with a bucket" by Guercino

(University of Chicago Press, 280) of all the Holkham drawings, this is built upon a mastery of the preparatory for 1988 of Popham's entries has been Christopher Lloyd, who has handled the 'post-Popham' with tact, knowledge and discretion - though his readers may enjoy a brief sentence in his introduction: 'Many of the drawings have traditional attributions that the modern specialist ignores at peril.' Indeed, Thomas Coke was buying often at only one or two removes from the artist involved, sometimes even directly from him. Maybe he knew.

Coke's buying policy was probably not very thoroughly thought through. Thus he certainly acquired drawings by slightly belated artists following the eclectic tradition of the Carracci, like the Cavaliere d'Arpino, but scholar not know the difference between a magpie and a jay?

At Oxford the Holkham selection can be studied and enjoyed at leisure (and at not too devastatingly low a light level); the labelling is clear and informative, and in the case of the drawings that relate to known paintings, photographs of the latter are shown discreetly alongside.

Records/Kevin Henriques Duke blows away the vinyl cobwebs

My colleague B. A. Young has written previously on this page about the impact on Radio 2 of the pioneering, cobweb-removing technique of Australian sound engineer Robert Parker, who transforms scratchy 78rpm records into what most listeners agree are first-class stereo cuts, albeit with a suggestion of echo at times. For those who find nothing satisfying in trying to discern the sounds of the actual music beneath the distractions of hiss, clicks, crackle and distortion, Mr Parker is a miracle worker. The impressive series of albums brought out by BPC Records under the banner 'Jazz Classics in Digital Stereo' is proof in vinyl.

Compilation albums of the 78rpm output of Fats Waller, Jelly Roll Morton, Bessie Smith and Bix Beiderbecke have been issued. Now comes Duke Ellington, whose early work is surveyed in Duke Ellington: Great Original Performances 1927-1934 (KCB 649), containing 16 tracks from Duke's formative years. Many of these titles were duplicated later but several of the early legends such as Duke Ellington, Art Tatum, Arthur Tatesol, Roy Nanton, Sonny Greer and Toby Hardwick were recorded in the 1927-34 period. Robert Parker's wizardry on these discs, made over 50 years ago, reveals many aural surprises, including the clarity of Lonnie Johnson's acoustic guitar and the growl effects and exotic feel of the whole band in 'Blues with a Feeling'.

The melancholy of 'Solitude' surely one of the most poignant melodies ever written, can be fully appreciated; the muted trumpet, the reeds and trombones blending to produce a truly heart-rending sound. And the rare treat of Johnny Hodges soloing on soprano-saxophone ('Live and Love Tonight') and 1927-seating by the 1988-active Adelaide Hall and the result is an LP hard to fault.

In the past four years or so Loose Tubes, that exhilarating, ebullient, anarchic 21-piece band comprising some of Britain's most talented youngsters, has been doing its considerable bit to maintain the big band tradition initiated by Ellington, Fletcher Henderson and Luis Russell among others. The players come together for special events such as the recent fortnight's residency at Ronnie Scott's, brief tours and for albums such as 'Open Letter' (Editions EG, EGED 55), its third and latest.

CHESS SOLUTION NO. 718
1 QxN? fails to B-R1; 2 B-Q5 ch, QxN when if 3 NxQ, RxQ ch or 3 QxR, QxR ch. White played 1 B-Q5 ch! K-R1 (if N-B2; 2 P-N6, PxP; 3 R-B3 ch, KxR; 4 BxN); 2 QxN, B-Q3; 3 N-N6 ch, PxN; 4 E-R6 mate.

Radio A dream meant for hearing

It would be hypocritical to pretend that I admired The Dream. Radio One's commemoration of the 20th anniversary of Martin Luther King's death. But I am always glad to find something on that channel which requires listening as well as hearing. Here were lyrics by Michael Wakelin meant for attention, and gospel music by Richard Atkine no less listenable, by me, than any other Radio One music.

Likely Story (Radio 4, Saturday) written by Owen Holder to mark Joyce Carey's 90th birthday, and I gladly join the good wishes. She tells a fairy story to some children, with all the accepted formulae of princes, dragons and so on. But we also hear the real action. Ursula, the heroine, is married (or nearly) six times, commits four or five murders without a conviction, and ends as a Countess (a Marchioness really, as director Ian Cottrell should have noticed), heir to great wealth - but drowned in a marsh. Don't ask how, but Joyce Carey gets the lot. Foolish but fun.

Records/Kevin Henriques Tilson's triumph

With the arrival of Michael Tilson Thomas as Principal Conductor of the London Symphony Orchestra now imminent, there is increasing eagerness to see what repertoire he will choose to put before us. The known catholicity of his musical tastes is one excellent reason to welcome him here with enthusiasm, though whether he is as keen to join us after the insensitive barrage of coughing that persisted through this concert is another question.

It all goes well with this partnership, the LSO should prove a sympathetic body of players for him. They generally respond well to energetic, incisive leadership of the Tilson Thomas kind, though on this evidence conductor and orchestra still have hard work to do if they are to achieve a top class ensemble. Nor is the LSO sound ingratiating; the strings, in particular, are short on the sweet timbres that he was trying to coax from them in the Strauss.

PREVIEWS FROM MONDAY - OPENS APRIL 19 AT 7.00pm
JOURNEY'S END
WHITEHALL THEATRE 01 930 7765/839 4455

BOOK FAIR at the HOTEL RUSSELL
SUN APR 10: 2-7pm
MON APR 11: 10.30-7pm

Art Galleries
ALLANS' GALLERY - Head Embroidered Silk Pictures. A superb new collection is now on display.

Ken Russell's predictably outrageous ABC of British Music on ITV last week-end (rather like Benny Hill but without the laughs) made some odorous, not to say insulting comparisons between the operas of Britten and Walton's Troilus and Cressida: the latter, apparently, provides the sort of honest red-blooded heterosexual passion lacking in the former. I don't know whether Russell would admit Sir Lennox Berkeley's Nelson to his pantheon of proper opera, but Thursday's excellent concert performance by the Chelsea Opera Group at the Queen Elizabeth Hall revealed red coruscates aplenty.

Passion a-plenty from a red-blooded Nelson

The characteristically long, indeed endless melodies, punctuated with succulent modulations, have a hint in them of Prokofiev at his most yearning, and there is a wealth of heavy nautical music, including what sounds like a missing fifth Sea Interlude from Peter Grimes (but the boat is on the other foot with a quest in the second act that plainly anticipates the lovers' awakening in Britten's Dream).

Jones's workmanlike but overwrought libretto: it is not enough to put historical figures and facts on stage and hope for the best, certainly not when the syntax frequently lapses into the cliché of costume romance.

who communicated his love of the score to orchestra and chorus alike. The cast was strong. David Johnston, taking on the title role at short notice, sang not only with his accustomed musicianship and sensitivity, but supplied much healthy, heroic tone at the top as well.

There was more than a whiff of the stage to Christine Bunning's lively and attractive Emma Hamilton, performing with consistent beauty of tone and generosity of phrase. Excellent work from Fiona Kimm (Emma's dotty mother), Gerald Finley (the latter back Sir William), Susan Kessler (a powerful Lady Nelson), and Brian Bannalyne-Scott (the handsome Hardy). Perhaps the death scene - no track with 'Nelson' here - might upset Mr Russell, but that's his problem.

RODNEY MILNES

WEEKEND FT

SPORT

Continuing setbacks lead to 'creeping paralysis' in efforts to fend off the unthinkable



Sponsorship may be needed to save a cricketers' shrine

THE Grand Met Oval. It lacks a certain ring, doesn't it? So does Shanghai International Bank Oval. And so for Mercantile Credit Oval.

But unless some body can meet the £1m shortfall this summer, the only way to finance the improvements needed to preserve the Kennington Oval as a test venue may be to commit the unthinkable: to sell the name of the Prince of Wales's very own cricket ground with a sponsor's prefix.

If the Oval is, as the Daily Graphic put it in 1982, the Newmarket of cricket, then these must be doubly painful times for those who have delighted in its fraternal fish 'n' chipiness. While the roast beef and horseradish Asot that is Lords has recently been done up to the nines, the arena that hosted England's inaugural Test match is in danger of ending up on Antiques Roadshow.

And although virtually everyone connected with Surrey Cricket Club is exceedingly reluctant to publicise frustrations, it does not take a clairvoyant to conclude that the gasometers which once hummed to cheer for Hobbs, Sandham, Lock and Laker now echo to the sound of hollow words from the Government.

"They've moved the goal posts," moans club chairman Derek Newton, still distressed by the Department of Environment's rejection six months ago of Surrey's application for state assistance.

Plans for a community sports centre dedicated to that sturdy servant of Surrey and English cricket Ken Barrington were ruled not to have met the appropriate grant criteria. Yet the plans had already been endorsed by Lambeth Council and more than £2m had already been raised

A googly for The Oval

from members and the Sports Council. "The DoE said that though they couldn't promise a grant, if we provided sources of finance ourselves and could then prove that we were short of our target, so long as we could offer jobs and improve the social standing of the area, then that was the sort of scheme they would accept as worthy," recalls Raman Subba Row, chairman of the club management board and a former Surrey and England batsman.

The proposed project estimated that 10 jobs would be created on completion of the Ken Barrington Sports Centre. The department considered that figure insufficient and said that its reason for rejecting the project.

"Surely they should have looked at the scheme in totality," says Subba Row. "Other projects would have stemmed from it."

"We were quite definitely, quite positively, steered in that direction, and when the answer came we were extremely upset. If you're not going to give a grant for something like this, what are you going to give one for?"

To highlight the club's sense of betrayal, Sports Minister Colin Moynihan persuaded them to trust in his persuasive powers in the private sector rather than maintain the momentum and re-apply. The begging bowl is still empty. September is still cited as the latest possible starting date for a development that will also encompass another batch of executive suites, new dressing rooms, increased capacity and roughly

33.2 million licks of paint. With that deadline, the enthusiasts are fast losing faith.

Though yet to be confirmed, the costs are understood to have climbed by 12.5 per cent in 12 months, from £4.3m to £4.9m. Throw in semi-permanent hospitality chalets and urgent fire precautions works - the wooden stand above the Nets bar was closed by the local authorities last summer for being hazardous - and the figure is nearer £5.5m.

"And if we don't start on schedule, we may have to return some of the donations," recognises Subba Row. The purely cricketing problem might take more than five years to fully surface, but there is a creeping paralysis setting in around here.

The ultimate irony is that commercial activity at the Oval has proved the most innovative in English cricket. Battled by the constant rumble of traffic heading for Vauxhall Bridge, serviced by a tube station in severe need of overhaul, The Oval has never been a haven either for those who regard cricket fields as a refuge for tranquil meditation or those who require architectural sedition.

"On the face of it," admitted that great Surrey and England off-spinner, Jim Laker, "there's nothing attractive about The Oval."

Yet the Oval retains an unmatched communal charm. A roller-skating rink once stood at the Vauxhall Road End. The North-South London Divide starts here. "It's the People's

Ground if you like," suggests Subba Row.

The People's Ground has trodden a siddy path since Montpelier (later Surrey) Cricket Club took the lease of a 10-acre Kennington market garden in 1844, snatched some turf from Farringham Common and proceeded to annoy the neighbours from the off by alternating cricket with poultry shows, exhibitions and athletic meets.

Surrey, distressed in any event by the amenities, packed their bags in 1884 as the landlord, the Duke of Cornwall, prepared to sell to a building concern. Into the breach stepped the Prince Consort to arrange a 30-year leasehold with the club's trustees that has rolled on to this day.

For the next century or so, Charlie Chaplin's home ground grew in prominence, hosting FA Cup finals, hockey, rugby union and soccer internationals. When the Ashes were regained in Coronation Year, Denis Compton's winning pull preceded one of the more joyous celebrations on an English field of play. Oval crowds have long been the most stable of such invaders.

At the turn of the 70s its playing staff had been pared right back, membership subs were lower than almost anywhere in the country and £15,000 was needed to ensure short-term survival. The Surrey management committee gave serious thought to relocating within the county, at Tolworth.

"In the end, tradition swayed the day," remembers Subba Row.

"We appealed to the members for the money and in return we got on with developing the commercial side." Since then, 17 successive annual surpluses have been ploughed back into modernisation schemes.

Where next? For all the placatory surface noise, Subba Row acknowledges that even if the Department performed a U-turn, any state contribution would be minimal. His expectations of Moynihan seem even lower. "What can you expect of a sports minister?" an infuriated Alan Smith, chief executive of the FCB, queried in the other week, "when he freely admits to spending less than 20 per cent of his time on sport?"

A follow-up to the successful Ken Barrington Appeal is being considered and will be put to the members when they are informed of the latest state of play on April 18. Meanwhile, the feasibility of prostrating the name of The Oval is being sweated over. "If it needs to be done... if a sponsor can be found... maybe there's no alternative," argues Subba Row.

The decay and struggles of The Oval have a classic example of the apparent official view that sport is hipper. In Perth, Sydney, Calcutta and Lahore ambitious improvements to cricket grounds have been backed by governments. Subba Row believes that our sports bodies should present a united front. "We in fact been having informal chats with various bodies for two years or so, but getting something formal going is another matter."

What with the England team currently under siege for petulance and dispiriting performance, and his beloved Oval in this worrying state of limbo, Subba Row's resounding demand is showing stretch marks.

Football/Philip Coggan



Victory may yet surprise

papers last week. None predicted Forest's 2-1 victory, even though the Nottingham club was playing at home.

Commentators have said throughout the season that the best chance of attacking Liverpool was through their backs. So it proved last week with winger Gary Crosby, a £15,000 buy from Gratham, tormenting Gary Ablett.

Liverpool seemed to contribute to their downfall by playing a defensive 4-5-1 formation and leaving Peter Beardsley and Ray Houghton on the bench. It is hard to see manager Kenny Dalglish making the same mistake again.

Liverpool, despite a fanatical following and immense professionalism, have not always been the most attractive side in the First Division. But this year, the tactician Mr Dalglish has put together a team that is not only better than any other but also exciting to watch. Barnes and Beardsley up front have added a

new dimension to the club's play. The best way for Liverpool to defeat Forest is to overwhelm them by all-out attack. Even Tottenham, currently playing like a band of zombies on Valium, might have scored four or five goals against the shockers on Monday. It is hard to see Liverpool losing twice in a week. Crosby played well last Saturday. But, as with most wingers, his form can be maddeningly inconsistent. Liverpool will doubtless have worked out some plan to combat him today.

Much as my heart would like to see Forest make the final, my head says that Liverpool will stop them. But there is every prospect of an exciting game; Mr Clough has never been a man to underestimate.

In the other tie, it seems as if Luton, having reached two Wembley Finals already this season, have passed their peak. A series of losses followed the club's surprising defeat by lowly Reading in the Simod Cup, and culminated in a 4-0 rout by Newcastle last Saturday.

Much may depend on how many of Wembley's walking wounded are fit for today's game but the South London team's robust style has confounded those (including me) who felt that the departure of manager Dave Bassett would halt a long run of success.

It is a tremendous shame that a club which would naturally attract the sympathies of neutral supporters has such a poor disciplinary record. Both Liverpool and Forest illustrate that it is possible to gain success by kicking the ball rather than opponents.

Nevertheless, a Wembley-Liverpool final would be a fitting finale for the season. It would pit the eternal underdogs against the eternal champions; London versus Merseyside; the amateurs against the complete professionals; the long-ball specialists versus the smooth-running soccer machine. Bookmakers would make Liverpool extremely firm favourites in a final against Wembley. But I have a strange feeling that the South London club, with its fighting spirit, has the best chance of preventing another Dalglish double.

FT CROSSWORD No.6,601

SET BY GRIFFIN  
Prizes of £10 each for the first five correct solutions against. Solutions to be received by Wednesday April 20, marked Crossword 6,601 on the envelope, to the Financial Times, 10 Cannon Street, London EC4A 3DF. Solution on Saturday April 23.

Crossword puzzle grid with numbers 1-27 and letters A-Z.

ACROSS  
1 Skilled craftsman detailed to five addresses (6)  
5 Sketched an old Penny did without (6)  
9 Detectives go to hospital after Officer West (5)  
10 78 for a retiring salesman (6)  
11 Eased evil mixtures inside pipe (6)  
12 Crowded round bomb designed by journalist (6)  
14 High spirits after vicar's disclosure (10)  
22 Leading Stolan on the wrong space flight (6)  
23 Street toilet defaced by loner (5)  
24 Presides over church music (6)  
25 Photo needs a rest, distrust after calamity (5)  
26 Firm giving place to youth leader (6)  
27 Nurse Zoid is upset about blame (5)

LABOUR TOILES  
E U N P M T  
O F S I D E T E S I A N  
A M I D A I E R  
S E A W A R D S T H I R D  
R G M D O C A  
M B O R T F I V Y  
I G B R E A K E R  
S T A L C R I A M  
M A R I N I E M E N C E  
I N T I G U E  
I N S U R E E M I A B L E  
S I D I E T I O  
T R I P O T A S S I S S I O

DOWN  
1 Jack takes Dora dancing on a ship (6)  
3 Trust the French to titillate (6)  
5 Raw material first found by stranger (6)  
4 Doctor called in about Elizabeth, a neglected woman (10)  
6 One's own public image when over 50 (6)  
7 State engineers, not private (5)  
8 Jeering at topless singer did upset (6)  
13 Walker and I poster cook (10)  
15 Fed up with scene, rebuke fortifications (6)  
16 - a barrier of stakes, clumsily stacked round a hole (6)  
17 Ready with coloured paper thrown on top (5)  
19 Choose to relax after setting up record (6)

Solution and Winners of Puzzle No. 6,591  
M. H. Miller, Granfield, Bedford; Miss E. L. Wilby, Towcester, Northants; Mrs T. Jhabvala, Versova, Bombay; J. M. Keat, London N1; Mr J. N. Overill, Cheltenham, Gloucestershire.

SATURDAY

12:00 News, 12:15 Sports, 12:30 News, 1:00 News, 1:30 News, 2:00 News, 2:30 News, 3:00 News, 3:30 News, 4:00 News, 4:30 News, 5:00 News, 5:30 News, 6:00 News, 6:30 News, 7:00 News, 7:30 News, 8:00 News, 8:30 News, 9:00 News, 9:30 News, 10:00 News, 10:30 News, 11:00 News, 11:30 News, 12:00 News.

TELEVISION AND RADIO

12:00 News, 12:15 Sports, 12:30 News, 1:00 News, 1:30 News, 2:00 News, 2:30 News, 3:00 News, 3:30 News, 4:00 News, 4:30 News, 5:00 News, 5:30 News, 6:00 News, 6:30 News, 7:00 News, 7:30 News, 8:00 News, 8:30 News, 9:00 News, 9:30 News, 10:00 News, 10:30 News, 11:00 News, 11:30 News, 12:00 News.

SUNDAY

12:00 News, 12:15 Sports, 12:30 News, 1:00 News, 1:30 News, 2:00 News, 2:30 News, 3:00 News, 3:30 News, 4:00 News, 4:30 News, 5:00 News, 5:30 News, 6:00 News, 6:30 News, 7:00 News, 7:30 News, 8:00 News, 8:30 News, 9:00 News, 9:30 News, 10:00 News, 10:30 News, 11:00 News, 11:30 News, 12:00 News.

RTV WALES

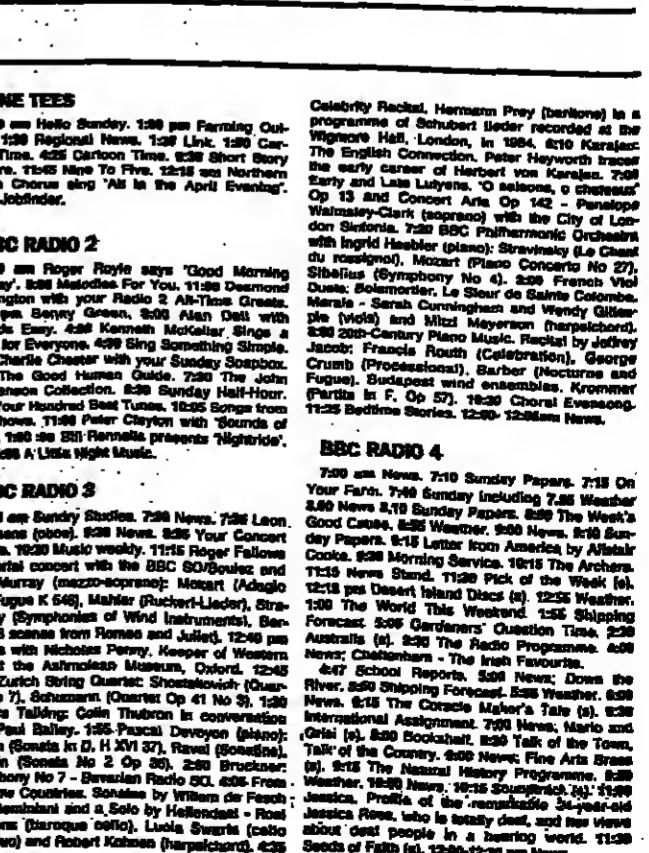
12:00 News, 12:15 Sports, 12:30 News, 1:00 News, 1:30 News, 2:00 News, 2:30 News, 3:00 News, 3:30 News, 4:00 News, 4:30 News, 5:00 News, 5:30 News, 6:00 News, 6:30 News, 7:00 News, 7:30 News, 8:00 News, 8:30 News, 9:00 News, 9:30 News, 10:00 News, 10:30 News, 11:00 News, 11:30 News, 12:00 News.

SCOTTISH

12:00 News, 12:15 Sports, 12:30 News, 1:00 News, 1:30 News, 2:00 News, 2:30 News, 3:00 News, 3:30 News, 4:00 News, 4:30 News, 5:00 News, 5:30 News, 6:00 News, 6:30 News, 7:00 News, 7:30 News, 8:00 News, 8:30 News, 9:00 News, 9:30 News, 10:00 News, 10:30 News, 11:00 News, 11:30 News, 12:00 News.

YORKSHIRE

12:00 News, 12:15 Sports, 12:30 News, 1:00 News, 1:30 News, 2:00 News, 2:30 News, 3:00 News, 3:30 News, 4:00 News, 4:30 News, 5:00 News, 5:30 News, 6:00 News, 6:30 News, 7:00 News, 7:30 News, 8:00 News, 8:30 News, 9:00 News, 9:30 News, 10:00 News, 10:30 News, 11:00 News, 11:30 News, 12:00 News.



Choreographer Sir Frederick Ashton appearing with Antonette Sibley. BBC 2, 8 pm